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### Beyond repair?

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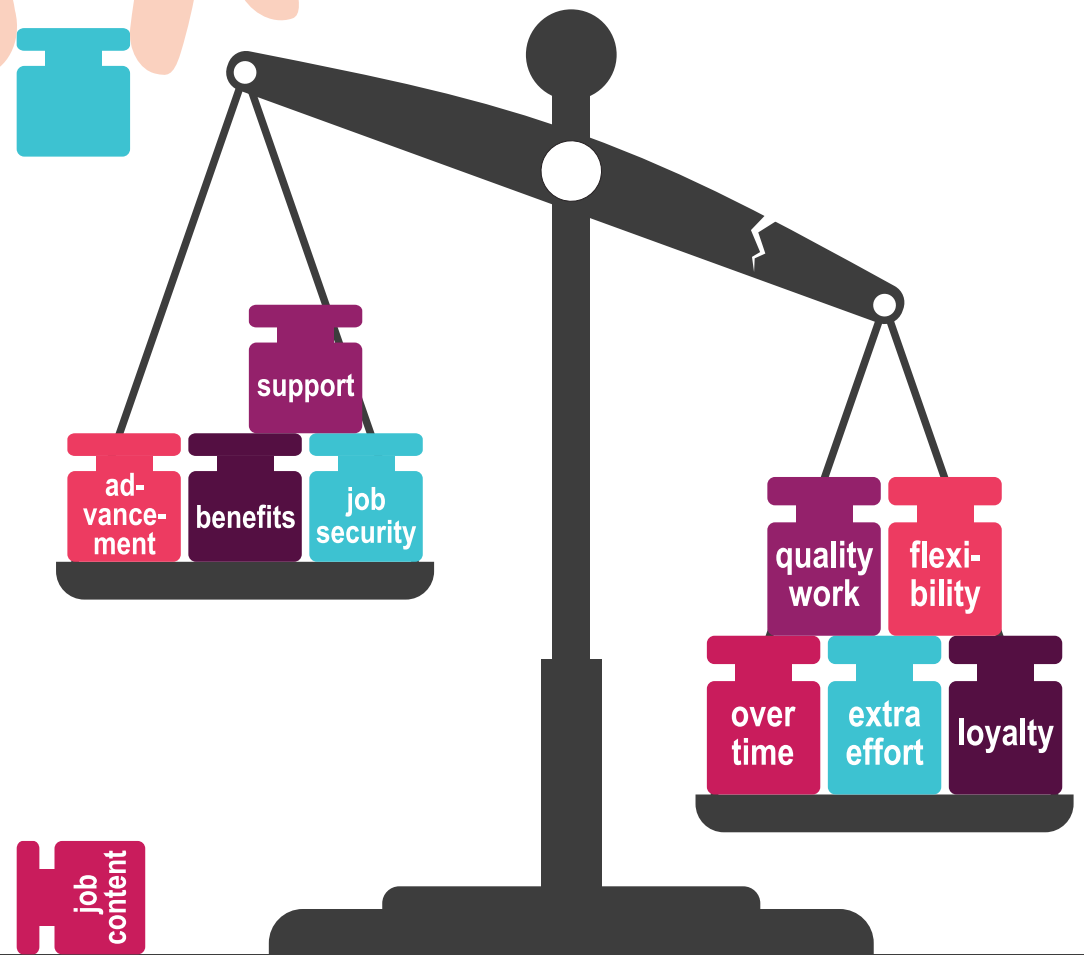
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# Beyond repair?

The role of supervisory leadership  
in the context of psychological contract breach

Beyond repair?



Melanie De Ruiter

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# Beyond repair?

The role of supervisory leadership in the context  
of psychological contract breach

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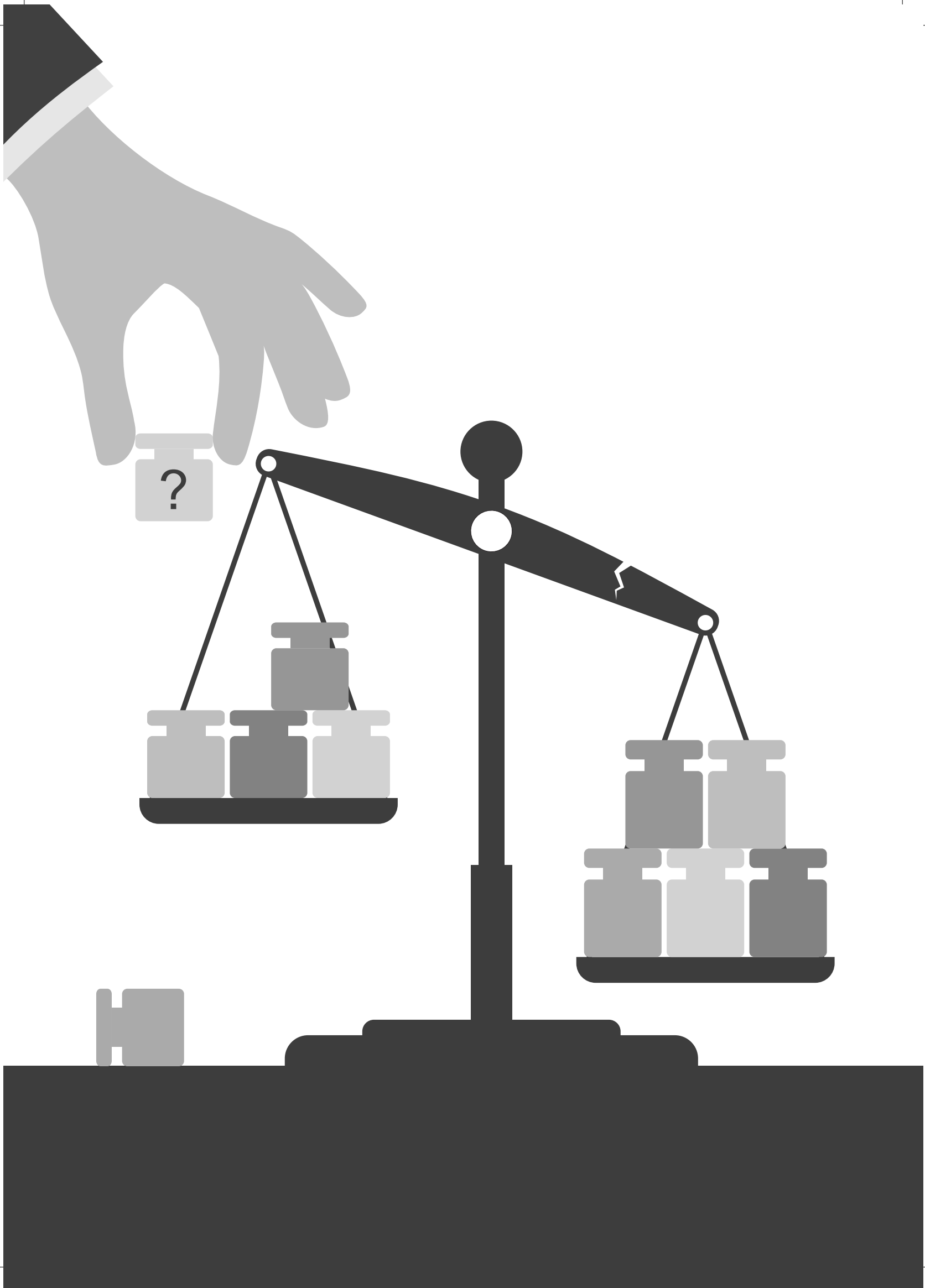
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# Chapter 1

General introduction





## 1.1 Introduction

*Lucas has been working for a financial institution for several years now. When asked to reflect on the relationship with his employer, he responds positively. Lucas explains that the organization has kept the promises made to him during recruitment and during later stages of his employment. For example, over the last years, the organization has provided standard wage raises to uphold living standards, bonuses based on the organization's performance and attractive fringe benefits. The organization has provided Lucas with adequate resources and tools for him to do his job. Moreover, Lucas has received developmental feedback through the organization's company-wide 360-degree feedback program and he has been reimbursed for training programs and workshops. In return, Lucas has upheld his part of the agreement. That is, he has been loyal and committed to the organization, he has worked hard, performed well, put in overtime and extra effort, helped coworkers and contributed ideas and suggestions for improving the organization's processes.*

The example above describes the *psychological contract* that underlies the employment relationship between Lucas and his organization. Currently, Lucas and his employer have a well-functioning relationship governed by positive exchanges in which each party upholds its end of the agreement (for example, providing tools and resources in return for good performance, and providing reimbursement for training programs in exchange for loyalty and commitment). But what happens when Lucas perceives that the organization is no longer fulfilling one or more of its obligations?

The negative consequences associated with an employee's perception that the organization has failed to keep promised obligations (i.e., *psychological contract breach*; Conway & Briner, 2005; Robinson & Rousseau, 1994) are well-documented (e.g., Zhao, Wayne, Glibkowski, & Bravo, 2007). Research shows that psychological contract breach leads to a decrease in organizational commitment and job satisfaction (e.g., Cassar & Briner, 2011; Rayton & Yalabik, 2014), lower levels of innovative work behavior (Ng, Feldman, & Lam, 2010), in-role performance and organizational citizenship behavior (e.g., Restubog, Bordia, Tang, & Krebs, 2010), and an increase in counterproductive work behavior (Jensen, Opland, & Ryan, 2010) and organizational deviance (Restubog, Zagenczyk, Bordia, & Tang, 2013). Despite the substantial body of knowledge on the negative consequences of psychological contract breach, far less is known about potential ways in which these unfavorable outcomes can be mitigated.

Several scholars have pointed to the role of supervisory leadership in attenuating the adverse effects of psychological contract breach and suggest that a high-quality relationship between an employee and his or her immediate manager (i.e., high leader-member exchange) is likely to reduce the negative effects of breach (e.g., Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008; Tang, Restubog, & Cayayan, 2007). Yet, results of studies examining the moderating role of leader-member exchange in the relationship between breaches of organization obligations and work-related attitudes and behavior are inconclusive (Ng, Feldman, & Butts, 2014). While some studies found support for the mitigating role of leader-member exchange (e.g., Dulac et al., 2008), others found that a high-quality relationship with one's supervisor intensified the negative effects of psychological contract breach (e.g., Restubog et al., 2010). Consequently, whether or not supervisory leadership plays a role in attenuating the adverse consequences of perceived breaches of organization obligations remains open to debate.

Psychological contracts are generally conceptualized as existing between an employee and the organization as a whole (e.g., Shore et al., 2004). Yet, research shows that employees hold different parties responsible for providing specific inducements (e.g., Baccili, 2001). For example, while employees hold the organization responsible for providing such incentives as health care benefits and a competitive salary structure (Baccili, 2001; Chaudhry & Tekleab, 2013), immediate managers are held responsible for providing inducements including fair supervision, recognition and autonomy (Bordia, Restubog, Bordia, & Tang, 2010; Coyle-Shapiro & Shore, 2007). Consequently, several scholars have suggested that employees have psychological contracts not only with the organization in its entirety but also with their immediate manager (Baccili, 2001; Bordia et al., 2010; Chambel, 2014; Shore et al., 2004).

Despite the realization that employees can form psychological contracts with different parties within the organization (Alcover, Rico, Turnley, & Bolino, 2016; Marks, 2001), research on the consequences of breach (or fulfillment) of manager obligations is limited (exceptions include Baccili, 2003; Botsford Morgan & King, 2012; Chambel, 2014). Moreover, whether the organization or the manager is considered to be the source of breach seems to have important implications for the role of leadership. This has been articulated by Ng et al. (2014), who argued that when managers are considered responsible for the breach of obligations "improving LMX [leader-member exchange] may not reduce (or could even exacerbate) negative reactions" (p. 549). Others have suggested that when managers are blamed for a breach of obligations this is likely to undermine a high-quality leader-member exchange relationship (Restubog,

Bordia, & Bordia, 2011). However, despite these claims, the role of supervisory leadership in the context of breaches of manager obligations has hardly been examined empirically. In this dissertation, I try to gain a better understanding of the role of supervisory leadership in situations in which employees have experienced psychological contract breach. Therefore, the main objective of this dissertation is,

*To examine the role of supervisory leadership in the context of breaches of organization and manager obligations.*

In this dissertation, I focus on the role of *supervisory leadership*, or leadership of managers at lower and mid-levels of the organization who have supervisory responsibility (i.e., who have direct reports) but who, unlike high-level executives, are not in a position to take strategic decisions (House & Aditya, 1997; Pechlivanidis & Katsimpra, 2004). I specifically refer to *organization* and *manager* obligations to take into account the source (organization versus manager) of psychological contract breach (Chaudhry & Tekleab, 2013).

In the introductory chapter, I first discuss the concepts psychological contracts and psychological contract breach. Next, I consider the importance of distinguishing between different psychological contract foci and highlight important differences between the employee-organization and employee-manager psychological contract. Subsequently, I present the key issues and main questions I aim to answer in this dissertation. To provide support for the relevance, need, and timeliness of research on the role of leadership in the context of breaches of organization obligations, I present and draw upon the results of a systematic literature review. Moreover, an evaluation of the (limited) conceptual and empirical work on leadership in the context of breaches of manager obligations is used to highlight the importance of examining the role of leadership in the context of manager psychological contract breach. I conclude with an outline of the dissertation and an overview of the different chapters that are included.

## 1.2 Psychological contracts

Rousseau (1995) defined the psychological contract as “individual beliefs, shaped by the organization, regarding the terms of an exchange agreement between the individual and their organization” (p. 9). Two aspects of this definition, *individual beliefs* and *terms of the agreement*, deserve further clarification. In her conceptualization

of the psychological contract, Rousseau (1989; 1995) emphasized a focus on the employee's individual perceptions and beliefs (Conway & Briner, 2005). Thus, even though a psychological contract refers to the agreement between two parties - the employee *and* the organization - Rousseau (1989; 1995) argued that the employee's individual perception of this agreement has the most profound effect on emotions, attitudes and behavior (Conway & Briner, 2005).

The terms of the psychological contract refer to the inducements and rewards an employee believes the organization has promised to provide and the responses the employee believes he or she is obligated to provide in return (Conway & Briner, 2005; Rousseau & Greller, 1994). Examples of organization inducements include training, pay raises and promotion (e.g., Conway & Briner, 2005; Ng & Feldman, 2012). Examples of employee obligations and contributions include loyalty, flexibility and extra work effort (e.g., Conway & Briner, 2005; Ng & Feldman, 2012). Conway and Briner (2005) explain that individual psychological contracts are likely to encompass a large number of terms. Consequently, in order to make sense of this vast amount of obligations, scholars have grouped related contributions and inducements together to represent specific types of psychological contract obligations (Conway & Briner, 2005). For example, Freese, Schalk, and Croon (2008) distinguish between five types of organization obligations and two types of employee obligations. They found that organizations make promises to provide inducements regarding career development (e.g., training, promotions), job content (e.g., opportunity to take initiative, opportunity to use skills), organizational policies (e.g., trust in higher management, clear communication channels), rewards (e.g., pay for performance, benefits) and social atmosphere (e.g., good work atmosphere, supportive colleagues). In return employees promise to provide in-role (e.g., conduct oneself professionally) and extra-role (e.g., willingness to put in overtime) contributions (Freese et al., 2008).

### **1.2.1 Psychological contract breach**

Psychological contract breach refers to an employee's perception that the organization has not kept promised obligations (Conway & Briner, 2005; Robinson & Rousseau, 1994). Conway and Briner (2005) suggest that psychological contract breach is likely the most far-reaching concept in psychological contract theory. That is, the notion of breach helps to explain how psychological contracts influence employee emotions, attitudes and behavior (Conway & Briner, 2005). A large body of research has demonstrated that experiences of psychological contract breach affect a range of

employee outcomes (see Conway & Briner, 2005 for an overview of studies examining consequences of breach; see Zhao et al., 2007 for a meta-analytic review of the topic). Psychological contract scholars generally use social exchange theory (Blau, 1964; Gouldner, 1960) to explain an employee's negative reactions to psychological contract breach (Ng et al., 2014).

Social exchange theorists distinguish between several guidelines that prescribe how parties to an exchange agreement should behave (Cropanzano & Mitchell, 2005). The *norm of reciprocity* is the most applicable behavioral guideline in the context of psychological contract breach (Ng et al., 2014). The rule of reciprocity prescribes that the parties to an exchange agreement "respond in kind to the treatment they have received" (Tepper & Almeda, 2012, p. 68). Based on this norm for behavior, it is argued that when an employee perceives that the organization has not kept promised commitments, the employee will respond in kind (i.e., reciprocate) by reducing positive attitudes such as affective commitment to the organization and by minimizing extra-role behavior including organizational citizenship behavior (e.g., Zhao et al., 2007).

### 1.3 Psychological contract foci

Shore and colleagues (2004) point out that in the majority of psychological contract research it is taken as a given that an employee forms just one psychological contract; one in which the organization as a whole is perceived to be the other party to the agreement (Alcover et al., 2016). This is in stark contrast to the literature on other social exchange-based constructs (Bordia et al., 2010). In these fields of study, social exchange relationships with parties other than the organization, such as managers and coworkers, are widely recognized and accepted. For example, Eisenberger, Stinglhamber, Vandenberghe, Sucharski, and Rhoades (2002) explain that employees distinguish between support received from the organization and support received from the manager, whereas Bishop, Scott, Goldsby, and Cropanzano (2005) show that employees differentiate between support received from the organization and support received from one's team. Moreover, Lam (2003) found that employees distinguish between the quality of the exchange relationship with one's manager and with one's team members. Similarly, scholars found that employees perceive different foci of justice; organizational and supervisory justice (Masterson, Lewis, Goldman, & Taylor, 2000; Rupp & Cropanzano, 2002).

Based on the aforementioned, it can be concluded that within the workplace employees develop social exchange-based relationships with multiple parties, including the organization, managers, coworkers and teams (Bordia et al., 2010; Shore et al., 2004). Following this line of reasoning, scholars argue that employees do not only form a psychological contract with the organization in its entirety but also form psychological contracts with managers, coworkers and teams (e.g., Baccili, 2001; Chambel, 2014; Shore et al., 2004). With regard to the relationship an employee develops with one's manager, Bordia et al. (2010) suggest, "It is highly likely that perceptions of mutual obligations (i.e., a psychological contract) underlie the employee-supervisor relationship, just as they do the employee-organization relationship" (p. 1582). In the following section, I discuss in more detail the differences between the employee-organization and employee-manager psychological contract.

### 1.3.1 Employee-organization versus employee-manager psychological contract

There are important differences between the psychological contract an employee has with the organization as a whole and the psychological contract he or she has with one's immediate manager. I focus my discussion of these differences around three important topics, namely 'the formation and maintenance of the psychological contract', 'type of obligations', and 'attributions for breach'. I have summarized these topics in Table 1.1.

Table 1.1

*Employee-organization versus employee-manager psychological contract*

	Formation & maintenance of psychological contract	Type of obligations	Attributions for breach
Employee-organization psychological contract	Multiple organizational agents	Based on organization's strategy	Manager fully, partially or not responsible
Employee-manager psychological contract	Manager	Specific obligations under manager's control	Manager responsible

#### 1.3.1.1 Formation and maintenance of the psychological contract

The psychological contract between an organization and an employee is generally considered to be an 'agent-to-principal' contract in which agents of the organization make agreements with the employee on behalf of the organization (Rousseau, 1995). This entails that organizational agents convey the inducements the *organization*



promises to provide to the employee and the behavior and actions it expects from the employee in return (Rousseau; 1995; Rousseau & Greller, 1994). Immediate managers, as organizational agents, play a key role in communicating organization obligations to employees (Coyle-Shapiro, 2001; Shore & Tetrick, 1994). However, the employee's manager is not the only organizational representative involved (Petersitzke, 2009). Several other agents, including recruiters, top management, and human resource managers are involved in the formation and maintenance of an employee's psychological contract with the organization (Bordia et al., 2010; Rousseau, 1995). Additionally, 'administrative contract makers' such as policy documents (e.g., personnel manuals), mission statements and HR practices play a role in the establishment of the employee-organization psychological contract (Rousseau, 1995; Rousseau & Greller, 1994).

The employee-manager psychological contract differs with respect to the number of parties that are involved in developing and maintaining the agreement. Unlike the employee-organization psychological contract, in which multiple parties act on behalf of the organization, the employee-manager psychological contract is limited to the *employee* and the *manager*. It encompasses the inducements the manager promises to deliver to the employee and the contributions and actions an employee promises to provide in return. In the next paragraphs, I provide examples of both organization and manager obligations.

#### **1.3.1.2 Type of obligations**

As discussed in the previous section, several organizational representatives are responsible for communicating the inducements and rewards the organization promises to provide to employees and the actions and behaviors the organization expects from employees in return. The organization obligations underlying the broader employee-organization psychological contract are determined at the strategic level of the organization and include, among others, obligations related to a competitive salary structure, job security, advancement opportunities within the organization, and a company-wide mentoring program (Baccili, 2001; Coyle-Shapiro & Shore, 2007). Examples of organization obligations communicated by different contract makers include, a high-level executive who emphasizes the organization's willingness to invest in training and development for loyal, hard-working employees and a personnel manual that describes the type of employee contributions that are needed to receive specific organizational inducements including bonuses and advancement (Baccili, 2001; Petersitzke, 2009).

Although an employee's immediate manager plays an important role in conveying the organization's obligations, Baccili (2001) found that employees distinguish between organization and manager obligations. While organization obligations relate to the broader parameters of the employee-organization relationship (Coyle-Shapiro & Shore, 2007), manager obligations are generally related to more specific issues that are under an immediate manager's direct control (Coyle-Shapiro & Parzefall, 2008; Coyle-Shapiro & Shore, 2007). Examples include obligations related to providing a good job (e.g., autonomy, flexibility), fair supervision, career support and recognition (e.g., Baccili, 2001; Bordia et al., 2010; Coyle-Shapiro & Shore, 2007).

### 1.3.1.3 Attributions for breach

The number of parties involved in developing and upholding a psychological contract has significant implications for whether certain parties are held responsible for a perceived breach of obligations. As principal party in the employee-manager psychological contract, the employee expects his or her manager to fulfill promised obligations (Baccili, 2001).

#### Box 1.1

##### *Blame attributions, example #1*

Kate was very excited to start working for a large multinational corporation. She had a pleasant employment interview with the human resource manager of the local branch. She had told Kate about the many responsibilities she would have in her job and the autonomy she would be given in completing her tasks. The human resource manager also stressed that the organization valued employees who were proactive and took initiative. Kate could not have been more excited about this job. She thought it fit very well with her entrepreneurial spirit and proactive personality. However, once she started her new job, she felt that she was not given the responsibility and autonomy that had been promised to her during the employment interview. Her manager was very controlling and monitored her work constantly. Also, when Kate offered suggestions for how her department could improve some of its processes, her manager immediately dismissed her ideas. Kate blamed her manager for not fulfilling the obligations related to the content and nature of her job. Since her manager had a direct say over her work activities and was responsible for managing her work, she held him responsible for not giving her more responsibility and autonomy.

Consequently, when a manager fails to keep his or her commitments, the employee holds the manager responsible for the breach of obligation(s). This does not necessarily hold true when an employee perceives a breach of his or her psychological contract with the organization.

### Box 1.2

#### *Blame attributions, example #2*

During his employment interview, John had a very interesting conversation with one of the organization's human resource managers. She explained to John that the organization offered career support through a top-notch mentoring program, in which new employees are teamed-up with a very enthusiastic, more experienced employee who shows the new employee the ropes and helps him or her develop his or her career within the organization. John found it very important that an organization offered its employees career support and was very excited about the opportunity to take part in this program. However, the 'first-rate' program that was offered to him during recruitment, turned out to be of poor quality. The mentor that was assigned to him was not at all interested in showing John the ropes or helping him develop and improve his skills. In fact, John had only spoken with his mentor briefly on two occasions, and this person had failed to respond to most of John's emails and meeting requests. John blamed the organization as a whole for breaking its promise to provide career support. He felt the organization was obligated to team him up with an experienced colleague who was actually willing to provide career support, yet John's mentor was quite the opposite. Moreover, John blamed the organization for failing to select qualified mentors for the program, and for neglecting to monitor and evaluate the quality of the career support and guidance that mentors in the program were providing.

Several organizational agents are involved in developing and upholding the overall deal between the employee and the organization (Dulac et al., 2008; Petersitzke, 2009). This means that in some cases managers may be blamed for breaches of organization obligations (Dulac et al., 2008; Ng et al., 2014), whereas in other situations other organizational agents or the organization as a whole is held responsible (Petersitzke, 2009). In Boxes 1.1 and 1.2, I give an example of both situations.

In both examples, the human resource manager played an important role in conveying the organization's obligations toward the employee. Yet, in the first example, the employee felt that her manager was responsible for upholding the organization's side of the agreement, whereas in the second example, the manager was not involved in the breach of organization obligations. Thus, while an employee may experience that his or her organization as a whole has failed to fulfill its obligations, the employee can still perceive his or her immediate manager to be understanding and supportive (Zagenczyk, Gibney, Kiewitz, & Restubog, 2009).

## **1.4 Key issues and main questions**

The central goal of this thesis is to gain an understanding of the role of supervisory leadership in the context of breaches of organization and manager obligations. To achieve this goal, three important issues are addressed throughout the various chapters of this dissertation. The first issue concerns the types of behaviors and practices managers can use to minimize the negative effects of breaches of organization obligations. The second issue focuses on how iterative exchanges between an employee and his or her immediate manager following a perceived breach of organization obligations influence an employee's ultimate response to breach. The third and final issue is concerned with the role of relationship-based leadership (i.e., leader-member exchange) in the context of breaches of manager obligations. In the following sections, I discuss each of these issues in more detail. I draw upon the current state of the literature to emphasize the relevance, timeliness and need for addressing these issues. Moreover, to provide a guiding framework, I formulate a main question for each of the key issues that is examined in this dissertation.

### **1.4.1 Supportive manager behaviors in the context of breaches of organization obligations**

Several scholars suggest that managers can reduce the negative effects of breaches of organization obligations by providing honest explanations for why the breach occurred or by trying to make up for a breach of organization obligations (Dulac et al., 2008; Zagenczyk et al., 2009). Although managers may certainly employ these behaviors, to date, scholars have not actually assessed the types of behaviors managers use to support employees who experienced a breach of organization obligations. Instead, the focus seems to have largely been on the moderating role of leader-member exchange or, in some cases, supervisor support (e.g., Zagenczyk et al., 2009). Although employees who have a high quality relationship with their manager are likely to receive support from him or her in the event of a breach of organization obligations, studies that included leader-member exchange or supervisor support as a moderator have not assessed specific types of behaviors that are supportive in this context. To illustrate, measures used to examine leader-member exchange and supervisor support include questions such as 'how would you characterize your working relationship with your leader' (Scandura & Graen, 1984), 'I have an effective working relationship with my manager' (Graen & Uhlbien, 1995), and 'My manager really cares about my well-being' (Eisenberger et al., 2002). Implicitly an effective working relationship and

caring about an employee's well-being may suggest that managers listen to employee concerns in the context of breach, but is this behavior enough to reduce the negative effects of perceived breaches of organization obligations? Or, more importantly, do managers actually use these types of behaviors when employees have experienced breach? What other types of behaviors do managers use in response to an employee's perception of breach?

According to Ng et al. (2014), the results of studies examining the moderating role of supportive managers in the relationship between breach and employee attitudes and behaviors are mixed, with some studies reporting mitigating effects (e.g., Dulac et al., 2008; Zagenczyk et al., 2009) and others presenting intensifying effects (Restubog et al., 2010; Suazo, 2011). I suggest that an important reason for these discrepant findings is the emphasis on concepts such as leader-member exchange and supervisor support. Due to the broad focus of these concepts, I argue that they are less suitable in research examining the extent to which managers can reduce the negative effects of breaches of organization obligations. Instead, I suggest a focus on concrete manager behaviors is more appropriate. Another reason for the discrepant findings in previous research might be related to the way in which breach of organization obligations was measured.

Generally, studies assessing the moderating role of manager support in the context of breaches of organization obligations seem to have relied on global measures of breach (e.g., Dulac et al., 2008; López Bohle, Bal, Jansen, Leiva, & Alonso, 2016). I contend that such global assessments are not appropriate in studies examining the moderating role of manager support in the relationship between breach of organization obligations and employee outcomes. In section 1.3.1, I explained that managers are not necessarily held responsible for breaches of organization obligations. In the example in Box 1.1, Kate blamed her manager for failing to fulfill obligations related to the content of her job, yet in the example of John (Box 1.2), the manager was not considered responsible for breaches of developmental obligations. Despite these possible differences, research has mainly examined whether managers are able to reduce the negative effects of global perceptions of breach. Yet, when employees are asked to indicate their level of agreement with statements including, "My employer has broken many of its promises to me even though I've upheld my side of the deal" (Robinson & Morrison, 2000), it is unclear what types of obligations have been breached.

Since managers may be held responsible for breaches of some but not all types of organization obligations, I suggest it is much more valuable to assess whether managers are able to reduce the negative effects of breaches of specific types of organization obligations. By employing a more detailed focus regarding the types of

obligations that were breached, researchers will be better able to identify situations in which managers can mitigate the negative consequences of breach and situations in which managers might actually intensify the negative effects of breach. Moreover, a focus on concrete manager behaviors is also very valuable in the context of specific types of breach. That is, while some manager behaviors may be very effective for reducing the negative consequences of certain types of breach, other manager behaviors and practices might be needed to minimize the negative outcomes of other types of breach. Thus, taking a more detailed approach by focusing on concrete manager behaviors and specific types of breach seems to be an important step in resolving the discrepancies found in the existing literature.

In the following paragraphs, I present the results of a systematic review of the literature on the moderating role of manager support in the relationship between breaches of organization obligations and employee outcomes. This review was performed to highlight the lack of research on *concrete* manager behaviors in the context of *specific* breaches of organization obligations. The search strategy, inclusion criteria and coding strategy are elaborated upon in Appendix A.1 and A.2. An overview of the results of the systematic review is provided in Table 1.2.

When reviewing Table 1.2, it can be concluded that all but one study used a global measure of breach. Although one study did not assess global perceptions of breach, by using a composite measure these authors also did not distinguish between different types or categories of breach (Stoner, Gallagher, & Stoner, 2011). Additionally, it can be concluded that most studies included leader-member exchange as a moderator variable. Two studies included perceived supervisor support (López Bohle et al., 2016; Zagenczyk et al., 2009), whereas another study focused on supervisory loyalty (Stoner et al., 2011). However, the latter was conceptualized as a sub-dimension of leader-member exchange, whereas the former also focused on broader conceptualizations of manager support rather than concrete behaviors (Zagenczyk et al., 2009). Hence, all studies included a measure of the quality of the employee-manager relationship or the level of support experienced in the relationship with one's manager as a moderator variable, whereas no existing studies included measures of specific manager behaviors.

**Table 1.2**

*Results systematic review*

#	Authors (year)	Sample size & Design	Measure of breach	Moderator Variable	Outcome variable(s)	Study results
1.	Dulac et al. (2008)	N = 152, two-wave design	Global measure	Leader-member exchange (LMX)	Psychological contract violation (PCV)	<u>Mitigating effect</u> LMX attenuated the positive relationship between breach and PCV
2.	Francisco (2015)	N = 220, cross-sectional design	Global measure	LMX	Organizational citizenship behavior (OCB)	<u>No moderating effect</u> LMX did not moderate the relationship between breach and OCB
3.	López Bohle et al. (2016)	N = 615, cross-sectional	Global measure	Supervisor support	Performance, OCB	<u>Intensifying effect</u> Supervisor support intensified the negative relationship between breach and performance, and breach and OCB
4.	Lu, Shen, & Zhao (2015)	N = 312, cross-sectional design	Global measure	LMX	Turnover intention (TI), Organization identification (OI), OCB	<u>No moderating effect</u> LMX did not moderate the relationship between breach and TI <u>Mitigating effect</u> LMX attenuated the negative relationship between breach and OI, and breach and OCB
5.	Ng et al. (2014)	N = 192, longitudinal design (four waves)	Global measure	Changes in LMX over 8-month period	Constructive voice, aggressive voice	<u>No moderating effect</u> Increases in LMX did not moderate the relationship between breach and constructive voice <u>Mitigating effect</u> Increases in LMX attenuated the positive relationship between breach and aggressive voice

Table 1.2

*Results systematic review continued*

#	Authors (year)	Sample size & Design	Measure of breach	Moderator Variable	Outcome variable(s)	Study results
6.	Restubog et al. (2010)	Study 1, N = 180, cross-sectional; Study 2, N = 142, cross-sectional; Study 3, N = 162, longitudinal	Global measure	LMX	All studies: OCB, Study 2 & 3: In-role performance	<p><u>Study 1: Intensifying effect</u> LMX intensified the negative relationship between breach and OCB</p> <p><u>Study 2 &amp; 3: Intensifying effect</u> LMX intensified the negative relationship between breach and OCB and in-role performance</p>
7.	Stoner et al. (2011)	N = 126, two-wave design	Composite measures (18 items)	Supervisor Loyalty	TI	<p><u>Mitigating effect</u> Supervisor loyalty attenuated the positive relationship between breach and TI</p>
8.	Suazo (2011)	Sample 1, N = 356, Sample 2, N = 169, two-wave design	Global measure	LMX	PCV	<p><u>Sample 1 &amp; 2: Intensifying effect</u> LMX intensified the positive relationship between breach and PCV</p>
9.	Tang et al. (2007)	N = 241, cross-sectional design	Global measure	LMX	Civic virtue behavior	<p><u>Mitigating effect</u> LMX attenuated the negative relationship between breach and civic virtue behavior</p>
10.	Zagenczyk et al. (2009)	N = 177, cross-sectional design	Global measure	Supervisor support	Perceived organization support (POS)	<p><u>Mitigating effect</u> Supervisor support attenuated the negative relationship between breach and POS</p>



The results of the systematic review confirm Ng et al.'s (2014) claim that the findings of studies examining the immediate manager's role in reducing the negative effects of breaches of organization obligations are mixed. Across the different studies and samples, mitigating (e.g., Tang et al., 2007) as well as intensifying effects (e.g., Restubog et al., 2010) of manager support were found. Moreover, some studies found partial or no support for a mitigating effect. That is, for some outcome variables the negative effects of breaches of organization obligations were attenuated, whereas no significant moderating effects were found in the relationship between breach and other outcomes (e.g., Francisco, 2015; Lu, Shen, & Zhao, 2015; Ng et al., 2014).

The systematic review provides a current and up-to-date overview of the state of the science on manager support in the context of breaches of organization obligations. Based on the results of this review, I conclude that there is not yet any research that has examined the moderating role of concrete manager behaviors in the relationship between breaches of specific organization obligations (e.g., career development, job content, organizational policies, rewards, and social atmosphere). Yet, examining whether managers are capable of reducing the adverse effects of breaches of different types of organization obligations will likely help explain the inconclusive results regarding the moderating role of manager support in existing research. Moreover, an understanding of the specific types of supportive manager behaviors and activities that can be used to reduce the negative consequences of specific types of breach has important implications for leadership training and development programs. That is, managers can be better informed about specific behaviors and activities that are likely to support employees who have experienced breaches of organization obligations. Therefore, the first question this dissertation aims to answer is:

Question 1:

*To what extent do supportive manager behaviors reduce the negative effects of breaches of specific organization obligations on employee outcomes?*

#### **1.4.2 Employee-manager interactions following a breach of organization obligations**

The majority of the studies included in the systematic review examined the *degree* of quality of the employee-manager relationship at one specific point in time. According to Ng et al. (2014), it is better to examine the *changes* in the quality of the employee-manager relationship over a longer period of time, and examine whether increases in the quality of the relationship with one's manager mitigates the negative effects of

breach. Ng et al. (2014) suggest that an increase in relationship quality symbolizes an increase in supportive resources from one's manager. Thus, when an employee experiences a gain in supportive resources as a result of an increase in the quality of the relationship with his or her manager, this employee is less likely to react negatively towards a perceived breach of organization obligations (Ng et al. 2014). Although Ng et al.'s (2014) approach more adequately captures the evolving nature of employee-manager relationships, I argue that even this more dynamic examination of the quality of the employee-manager relationship still presents a rather narrow, one-sided view of the role of supervisory leadership in the context of breaches of organization obligations.

While employees do not necessarily blame their immediate manager for a breach of organization obligations, Baccili (2001) found that employees believe that their immediate manager is in a position to address their concerns about breaches of organization obligations. Thus, an employee is likely to turn to his or her immediate manager after he or she has perceived that the organization has failed to keep its commitments and expects one's manager to take action (Baccili, 2001; Griep, Vantilborgh, Baillien, & Pepermans, 2016). Similarly, Restubog et al. (2011) suggest that, "If employees perceive an organizational transgression [psychological contract breach by the organization], they are likely to turn to others in the organization such as their immediate supervisor to direct their resentment" (p. 429). Since employees are likely to turn to their immediate manager after having perceived a breach of organization obligations, I suggest it is important to investigate the interactions that take place between an employee and his or her immediate manager after a breach of organization obligations and to examine how these interactions might affect an employee's ultimate response to a breach of organization obligations.

Scholars have called for more conceptual and empirical work on psychological contracts from a process perspective. Conway and Briner (2005), for example, suggest "breach is likely to trigger a process that may or may not lead to the changes in attitudes and behavior depending on a number of intervening stages" (p. 137), and call upon scholars to examine these processes and intervening stages. Since an employee's immediate manager is an important point of contact and source of support for an employee, I specifically take a dyadic process approach and aim to answer the following question:

## Question 2:

*How do employee-manager interactions following a breach of organization obligations unfold to affect employee attitudes and behaviors, and what factors influence this process?*

### **1.4.3 Leader-member exchange in the context of breaches of manager obligations**

Several scholars have called for more research that integrates psychological contract theory with leader-member exchange theory (e.g., Coyle-Shapiro & Parzefall, 2008; Dulac et al., 2008; Rousseau, 1998). As evidenced by the systematic review discussed in the previous section, quite a number of studies have examined the moderating role of leader-member exchange in the relationship between organizational psychological contract breach and employee attitudes and behavior. A few studies have examined the mitigating role of leader-member exchange in the context of organizational psychological contract violation (e.g., Griep et al., 2016; Sears & Humiston, 2015). Additionally, some scholars have examined leader-member exchange as a mediator in the relationship between organizational psychological contract breach and employee outcomes (Restubog et al., 2011), whereas others have investigated whether the quality of the employee-manager relationship influences an employee's perceptions regarding the level of fulfillment of organization obligations (Henderson, Wayne, Shore, Bommer, & Tetrick, 2008; Suazo, Turnley, & Mai-Dalton, 2008). Although these studies have certainly contributed to integrating psychological contract theory with leader-member exchange theory, I argue that some important links between these two theories have been overlooked.

Leader-member exchange assesses the quality of the employee-manager relationship, yet it does not consider "the nature of the commitments the parties have exchanged" (Dabos & Rousseau, 2004, p. 53) nor does it assess the degree of fulfilled or unfulfilled obligations (Baccili, 2001; Shore et al., 2004). According to Rousseau (1998) psychological contract theory can be used to "peer into the black box of leader-member exchange" (p. 154). For example, by focusing on the commitments underlying the employee-manager relationship, and by exploring to what extent these commitments are kept, scholars will be able to more easily pinpoint the source of low quality leader-member exchange relationships. Others have suggested that the degree to which promised inducements are provided (e.g., fulfillment or breach of manager obligations) is likely to affect the quality of the employee-manager relationship (Coyle-Shapiro & Parzefall, 2008). Baccili (2001) suggests that a focus on the degree to which the manager has fulfilled *specific* types of obligations is particularly useful to "detect

which exchanges contribute to or degrade the quality of the supervisor-subordinate relationship” (p. 219).

To the best of my knowledge, one study (i.e., Chaudhry & Tekleab, 2013) has explored the relationship between the degree to which the manager fulfilled the psychological contract and the quality of the employee-manager relationship. Chaudhry and Tekleab (2013) found a positive association between psychological contract fulfillment by the manager and leader-member exchange. The results of this study thus provide preliminary support for the importance of considering manager obligations in the context of leader-member exchange relationships. However, the items used to measure psychological contract fulfillment by the manager represented broader terms of the exchange agreement such as long term job security and fair pay, as opposed to only inducements under direct control of the manager. Moreover, the same items were used to assess psychological contract fulfillment by the organization. Consequently, it is unclear whether fulfillment of manager obligations was truly assessed. Moreover, this study did not assess how fulfillment of specific types of manager obligations affected the quality of the leader-member exchange relationship. Nor did it examine how psychological contract fulfillment by the manager and leader-member exchange related to employee attitudes and behavior. Consequently, there are still important unanswered questions regarding the role of supervisory leadership (i.e., leader-member exchange) in the context of breaches of manager obligations.

In this dissertation, I aim to further integrate psychological contract theory and leader-member exchange theory by examining the relationship between perceived breaches of *manager* obligations and the quality of the employee-manager relationship, and their influence on employee attitudes and behavior:

Question 3:

*To what extent is the relationship between manager psychological contract breach and employee outcomes mediated by the quality of the employee-manager relationship?*

## 1.5 Outline and overview of dissertation

The three questions identified in the previous section will be investigated in chapters 2 through 5. In Table 1.3, I provide an overview of the chapters in which the three main questions were examined, the study design(s) used and the key concepts that were considered.

Question 1, which focuses on the moderating role of concrete, supportive manager behaviors in the relationship between breach of specific organization obligations and employee outcomes, was examined in chapters 2 and 3. In chapter 2, a measure of supervisory informational justice was used to assess whether managers were able to reduce the negative effects of breaches of social atmosphere and organizational policies obligations by employing behaviors such as being honest in their communication with employees and by communicating with employees in a timely manner. Since this study was conducted in the anticipatory phase of a change initiative, the study specifically focused on the moderating role of these managerial communication behaviors in the relationship between organizational psychological contract breach and i) resistance to change and ii) employee engagement. That is, these employee responses are particularly relevant in the context of change. In chapter 3, a qualitative study among employees and managers was conducted to determine which specific managerial behaviors employees find helpful and supportive after they have experienced a breach of organization obligations. These managerial behaviors and practices were grouped into three higher-order categories of supportive manager behaviors, namely ability, motivation, and opportunity-enhancing practices. Subsequently, in a quantitative study among 232 employees, it was examined whether these specific managerial behaviors were able to moderate the relationships between breaches of six types of organization obligations (i.e., career development, job content, organizational policies, rewards, social atmosphere, and work-life balance obligations) and i) psychological contract violation, ii) turnover intentions, and iii) affective commitment.

The second question was addressed in chapter 4. This chapter examines how employee-manager interactions are likely to unfold after an employee has experienced a breach of organization obligations and considers which factors are likely to influence these ongoing interactions. There is relatively little research on the processes that take place after an employee has experienced a breach of organization obligations (Conway & Briner, 2005). In chapter 4, it is suggested that employees can use different dissent

Table 1.3

*Overview of main questions & corresponding chapters*

Question	Corresponding chapter, study design(s) & key concepts
Question 1	Chapter 2, cross-sectional field study (n = 141), breach of specific organization obligations, supervisory informational justice, resistance to change, employee engagement Chapter 3, interview study (n = 17), cross-sectional field study (n = 232), breach of specific organization obligations, ability, motivation, and opportunity-enhancing practices, psychological contract violation, turnover intentions, affective commitment
Question 2	Chapter 4, conceptual paper, breaches of organization obligations, employee dissent, facework & politeness, psychological contract violation, leader-member exchange, exit, loyalty, neglect
Question 3	Chapter 5, two cross-sectional field studies (n = 73, n = 384), two-wave study (n = 147), breach of manager obligations, social leader-member exchange, economic leader-member exchange, job satisfaction, turnover intentions, citizenship behavior targeted at the organization, the manager and coworkers

strategies to express their concerns or dissatisfaction about organization psychological contract breach to their manager. Factors such as the quality of the employee-manager relationship (i.e., leader-member exchange) are likely to influence which strategy the employee uses first. In contrast to much of the existing research, which has usually focused on a simple-cause effect relationship between perceived breaches and employee behaviors (Conway & Briner, 2005), this chapter outlines how a manager is likely to respond to employee dissent about breach and considers factors that are likely to affect manager responses (such as leader-member exchange). Moreover, this chapter considers when employee-manager interactions are likely to de-escalate and return to pre-breach status and when employee-manager interactions are likely to escalate and result in negative employee attitudes and behaviors.

Question 3, which focused on the mediating role of leader-member exchange in the relationship between manager psychological contract breach and employee outcomes, is examined in chapter 5. In this chapter, the results of three studies that examined the mediating role of economic and social leader-member exchange in the relationship between manager psychological contract breach and a number of employee outcomes (i.e., job satisfaction, turnover intentions, citizenship behavior targeted at the organization, the manager, and coworkers) are presented. The first study was a cross-sectional field study among 73 social workers. Due to the shortcomings of the first study, the second study was conducted among a larger, more heterogeneous group of employees (n = 384). In order to overcome the limitations of the cross-sectional designs used in studies 1 and 2, and to reduce the consequences associated with common

method bias (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003), the third study employed a two-wave design ( $n = 147$ ). Demographic variables and perceptions of manager psychological contract breach were measured at time 1. Four weeks later, respondents filled in questionnaires related to economic and social leader-member and a number of employee outcomes.

In chapter 6, the findings of the different chapters are discussed and synthesized. The combined theoretical implications are discussed, as well as the limitations of the dissertation as a whole. Furthermore, an overview of the implications for future research is given and a number of recommendations for managers are provided.

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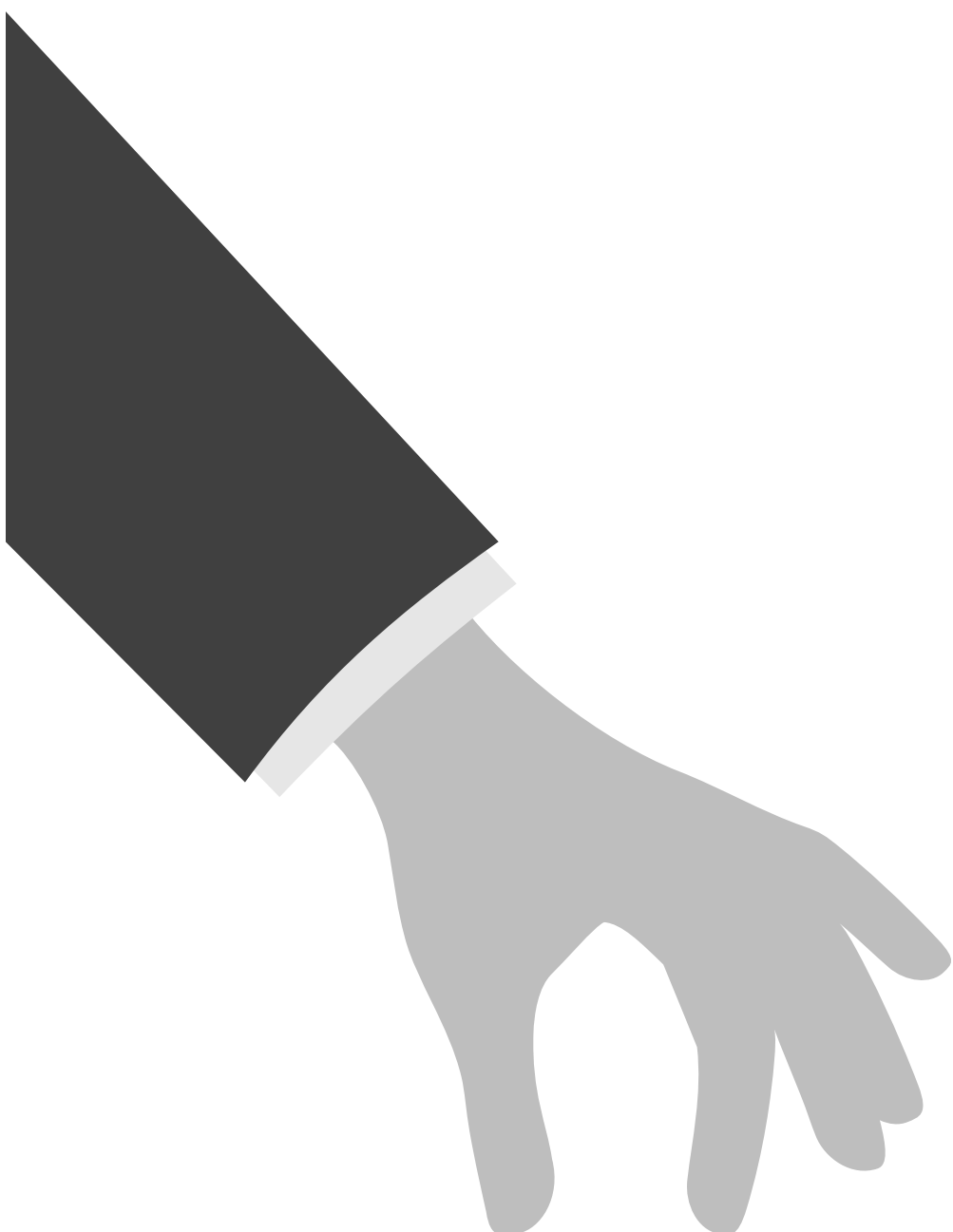
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justice

# Chapter 2

## Psychological contract breach in the anticipatory stage of change: Employee responses and the moderating role of supervisory informational justice

This chapter is based on:  
De Ruiter, M., Schalk, R., Schaveling, J., & Gelder, D. van. (2016). Psychological contract breach in the anticipatory stage of change: Employee responses and the moderating role of supervisory informational justice. *Journal of Applied Behavioral Science, Advance Online Publication*, DOI: 10.1177/0021886316672724

## Abstract

This study examined the impact of two types of psychological contract breach (organizational policies and social atmosphere breach) on resistance to change and engagement in the anticipatory phase of change, and assessed whether supervisory informational justice mitigated the negative effects of breach. Employees from three departments of a Dutch financial institution ( $n = 141$ ) who were in the first phase of a change initiative participated in the study. Results showed that social atmosphere breach was positively related to affective resistance to change, and negatively related to engagement, while organizational policies breach was positively related to cognitive resistance to change. These findings point to the importance of distinguishing between different types of psychological contract breach. In addition, it was found that supervisory informational justice mitigated the adverse effect of social atmosphere breach on cognitive resistance to change, pointing to the important role of managers in the first phase of change.

## 2.1 Introduction

It is suggested that if organizations are to successfully implement change initiatives, it is essential that employees have a positive attitude toward change-related activities and are committed to the change (e.g., Van Emmerik, Bakker, & Euwema, 2009). Although the importance of favorable change-related attitudes for the success of a change initiative is not contested, Tummers, Kruijen, Vijverberg, and Voeselek (2015) point out that even when there is an overall willingness to change, the impact of a change initiative on an employee's daily work situation can still lead to negative employee outcomes. Consequently, it is suggested that organizational change scholars extend their focus beyond change-related attitudes and also consider positive affective-motivational states such as engagement and vitality. For example, Tummers et al. (2015) argue that vitality is particularly important during change initiatives because the high levels of energy possessed by vital employees enables them to "deal with organizational change, especially because changes often have to be implemented next to regular duties" (p. 629). Employee engagement, which is partly related to vitality since engaged employees also possess high levels of energy (Spreitzer, Lam, & Fritz, 2010), likely has similar effects.

Despite the importance of *positive* change-related attitudes and affective-motivational states, scholars point out that *negative* attitudes and cognitions, such as resistance to change, are still one of the most significant causes of failed change initiatives (e.g., Georgalis, Samarasinghe, Kimberley, & Lu, 2015). Moreover, Kiefer, Hartley, Conway, and Briner (2014) found that increases in cutback-related change efforts negatively affected employee engagement. In this study, we take a psychological contract approach to gain an understanding of the causes of negative employee responses to planned change initiatives.

An organizational change initiative is a complex process that proceeds through different stages (Paulsen et al., 2005). According to Armenakis and Bedeian (1999) organizational change scholars distinguish between two types of models that describe stages of change; models that consider steps that change agents take in implementing changes, and models that describe the stages change targets go through when interpreting change. Since we focus on the experiences of change recipients, the second type is particularly relevant. Drawing from Isabella (1990), Paulsen et al. (2005) discussed three stages change recipients go through when experiencing change: anticipation, implementation, and aftermath. The first phase, the *anticipatory stage*, is

characterized by uncertainty (e.g., Lawrence & Callan, 2011). The planned change has been announced, yet employees have not received detailed information about how the planned initiative will affect them (Fugate, Kinicki, & Scheck, 2002). The second stage describes the implementation of the change initiative. Employees are faced with uncertainties related to their job role and career paths (e.g., Isabella, 1990; Paulsen et al., 2005). In the aftermath stage, the results and after-effects of the change are evaluated (Isabella, 1990). The current study focuses on the anticipatory phase of change. An important reason for this is that employee reactions during the anticipatory phase are likely to influence long-term responses to a change effort (Dhensa-Kahlon & Coyle-Shapiro, 2011; Rafferty & Restubog, 2010). Hence, unfavorable employee responses at the onset of change may have important ramifications for the outcome of a change initiative.

Scholars frequently indicate that organizations are unable to keep their commitments during organizational change initiatives (e.g., Morrison & Robinson, 1997; Zagenzcyk, Gibney, Kiewitz, & Restubog, 2009). Yet, although researchers are beginning to conduct more research on the consequences of psychological contract breach (PCB) in the context of change (e.g., Conway, Kiefer, Hartley, & Briner, 2014; Freese, Schalk, & Croon, 2011), in comparison to the large body of knowledge on PCB, the amount of studies conducted in a change environment is relatively small. Moreover, studies carried out in a change setting have generally examined global perceptions of PCB (e.g., López Bohle, Bal, Jansen, Leiva, & Alonso, 2016) or used aggregate measures (e.g., Conway et al., 2014). Yet, De Vos and Meganck (2008) claim that scholars should distinguish between different psychological contract dimensions since fulfillment (or breach) of specific dimensions is likely to differentially affect employee outcomes. De Vos and Meganck (2008) found that fulfillment of different types of obligations differentially affected loyalty, job search behavior, and turnover intentions. Moreover, Freese et al. (2011) found that, within a change context, only job content and organizational policies breach predicted affective commitment. These studies point to the importance of distinguishing between different types of PCB. However, research that considers the effects of specific types of PCB, particularly in a change context (exceptions include Freese et al., 2011), remains rare.

Studies that have examined PCB in the context of change have seldom focused on the anticipatory phase. This is surprising since the uncertain environment with which employees are confronted in this phase (e.g., Paulsen et al., 2005) increases the likelihood that breaches of obligations are perceived (e.g., Chaudhry, Wayne, & Schalk, 2009; Morrison & Robinson, 1997). Moreover, Koivisto, Lipponen, and Platow



(2013) point out that although supervisors are considered important facilitators of change, research in the field of organizational change management generally does not examine the role of supervisory leaders. However, since an employee's direct manager is considered an important source of information and fairness during change initiatives (e.g., Allen, Jimmieson, Bordia, & Irmer, 2007; Koivisto et al., 2001), examining whether supervisory managers are able to reduce negative employee responses during change initiatives seems of vital importance to organizations.

In this study, we examine to what extent *organizational policies* and *social atmosphere* breach affect resistance to change and engagement in the first phase of change, and to what extent these relationships are moderated by supervisory informational justice. We aim to make the following contributions to the literature. First, while existing organizational change research has generally focused on the effects of PCB (or fulfillment) on, what Tummers et al. (2015) refer to as 'passive' employee outcomes such as commitment and turnover intentions (e.g., Freese et al., 2011) and attitudes toward change (e.g., Van den Heuvel & Schalk, 2009), we extend previous research by assessing the effect of PCB on an affective-motivational state (i.e., engagement) in the *anticipatory phase* of change. We address calls for more research on the differential effects of breaches of specific types of psychological contract obligations (De Vos & Meganck, 2008) by examining the effects of two dimensions of breach. Moreover, we take a novel approach to explaining the relationship between PCB and engagement by drawing upon the tripartite job demands-resources (JD-R) model, thereby contributing to psychological contract theory. Finally, we contribute to both the academic and practitioner literature by examining whether a specific type of manager support (i.e., supervisory informational justice) can mitigate the negative effects of PCB in the first phase of change.

## **2.2 Theoretical framework and hypothesis development**

### **2.2.1 Psychological contract breach in the anticipatory stage of change**

The psychological contract refers to an employee's perception of the inducements and benefits the organization has promised to provide to him or her and the contributions and behaviors the employee believes he or she owes in return (Robinson, 1996; Rousseau & Greller, 1994). PCB occurs when an employee perceives that the organization has failed to deliver promised inducements (Morrison & Robinson, 1997).

Drawing on social exchange theory, in short SET, (Blau, 1964), scholars explain that when an employee perceives that the organization has failed to fulfill its obligations, the employee reciprocates by reducing discretionary efforts and engaging in counterproductive behaviors (e.g., Ng, Feldman, & Butts, 2014; Restubog, Bordia, & Tang, 2007).

Freese, Schalk, and Croon (2008) distinguish between five types of organizational obligations, namely *organizational policies*, *social atmosphere*, *job content*, *rewards*, and *career development* obligations. We suggest that organizations are particularly likely to breach obligations related to the first two categories during the anticipatory phase of change. Organizational policies obligations refer to commitments such as being fair and transparent in procedures, being trustworthy, having open and clear methods of communication and providing information (Freese et al., 2008). During change initiatives, the quality and amount of information employees receive is often limited. At the same time, employees' need for information is usually quite high (e.g., Jimmieson, Terry, & Callan, 2004; Rousseau & Tijoriwala, 1999), which is especially true after the announcement of a change initiative (Schweiger & DeNisi, 1991). As a result, employees often feel that "they are being kept out of the loop and that the organization is not sharing all the information" (Chaudhry et al., 2009, p. 505). Hence, this may signal to employees that the organization is not fulfilling obligations related to providing information and open and clear methods of communication. Moreover, Schweiger and DeNisi (1991) found that employees who experience uncertainty after the announcement of change are more likely to perceive the organization as untrustworthy and dishonest. Since these issues are reflected in the organizational policies dimension (Freese et al., 2008), it is likely that employees perceive organizational policies breach during the early phases of change.

The social atmosphere dimension includes obligations related to having a good atmosphere at work, being able to cooperate with others, feeling appreciated, and being able to express one's opinions (Freese et al., 2008). Yet, relationships with coworkers are likely to deteriorate during change initiatives (Skogstad, Matthiesen, & Einarsen, 2007). For example, employees are likely to bluntly criticize their coworkers in an attempt to appear worthier of a job (Marks & De Meuse, 2005). These competitive behaviors are likely to occur during the anticipatory phase of change, when employees do not know who will keep his or her job. Furthermore, when change initiatives are announced from the top down, it is likely that employees perceive that the organization has not allowed them to participate (Kiefer et al., 2014) or voice their

concerns. Since these issues are reflected in the social atmosphere dimension, employees likely perceive a breach of these obligations in this stage of change.

Job content, rewards and career development obligations are certainly important in a change context, but are more likely to be breached during the implementation phase. During this phase, employees begin to experience the altered situation (Isabella, 1990) and learn of its effect on the content of their job and their career opportunities (e.g., Paulsen et al., 2005). Additionally, Turnley and Feldman (1998) found that during more advanced stages of change, managers were likely to experience breaches related to job responsibilities and career advancement opportunities.

## **2.2.2 PCB and employee responses during the anticipatory stage of change**

### **2.2.2.1 Resistance to change**

Oreg (2006) conceptualized resistance to change as a multifaceted, unfavorable attitude towards organizational change that comprises employees' thoughts and feelings about change, and their behavioral tendency toward a change effort. Hence, resistance to change consists of an affective (feelings), cognitive (thoughts), and behavioral (intentions to react) component (Oreg, 2006).

A few studies have examined the relationship between the evaluation of the psychological contract and resistance to change (e.g., Van den Heuvel & Schalk, 2009; Van de Heuvel, Schalk, & Van Assen, 2015). Although the results of these studies generally point to a positive relationship between PCB and resistance, these studies did not examine whether some types of breach have a more profound effect on resistance to change than others.

The organizational policies dimension includes organizational obligations such as being trustworthy, fair in implementing procedures, and providing relevant information (Freese et al., 2008). Research shows that when organizations provide adequate information throughout the change process (e.g., Van Dam et al., 2008), employees are less likely to resist change. Conversely, when management is vague in relation to the outcome of change, employees are considerably less likely to support the change (Devos, Buelens, & Bouckenoghe, 2007). Furthermore, low trust in management resulted in higher resistance to change (Oreg, 2006). Moreover, Kiefer (2005) found that unfair treatment by the organization in an ongoing change context resulted in negative emotions. As previously explained, SET posits that when

employees perceive that the organization has failed to fulfill obligations, they are likely to reciprocate by reducing supportive attitudes and behavior toward the organization. Based on the studies discussed above, we suggest that, in a change context, employees are likely to reciprocate unfulfilled organizational policies obligations by resisting the organization's proposed change initiative:

*H1a: Organizational policies breach is positively related to resistance to change.*

In the anticipatory phase of change, employees often find themselves in an uncertain work environment (e.g., Paulsen et al., 2005), which may be characterized by deteriorated work relationships (e.g., Skogstad et al., 2007). As a result, organizations are less likely to be able to keep their commitments related to providing a cooperative and enjoyable work environment, in which employees feel appreciated and supported.

Since we are unaware of studies that have examined the relationship between social atmosphere breach and resistance to change, we searched for studies that examined the impact of an important aspect of a cooperative work environment, i.e., work relationships, on attitudes toward change. Vakola and Nikolaou (2005) found that bad work relationships most strongly predicted negative change-related attitudes. Moreover, research shows that social relationships positively influence readiness for change (Madsen, Miller, & John, 2005). Conversely, we posit that when social relationships are impaired, employees are likely to resist change. Based on these studies and SET, we claim that when organizations fail to keep commitments related to providing a work environment in which employees can work together and cooperate, employees reciprocate by opposing the change effort:

*H1b: Social atmosphere breach is positively related to resistance to change.*

#### **2.2.2.2 Engagement**

Bakker, Hakanen, Demerouti, and Xantopoulou (2007) define engagement as “a positive, fulfilling, work-related state of mind, that is characterized by vigor, dedication, and absorption” (p. 274). Vigor refers to feeling highly energetic and resilient when working, having a desire to put effort into one's work, and persevering when faced with difficult challenges. Dedication is defined as an intense involvement with one's work, and experiencing a sense of gratification, passion, and meaning. Absorption refers to being highly concentrated and completely immersed in one's work (Schaufeli & Bakker, 2010).

Several scholars suggest that it is important that employees remain engaged during change efforts (e.g., Sousa & Van Dierendonck, 2014; Van den Heuvel, Demerouti, Schreurs, Bakker, & Schaufeli, 2009). Yet, research shows that cutback-related change (similar to the planned change initiative communicated to the participants in the present study) negatively affects engagement. Sousa and Van Dierendonck (2014) suggest that an increase in job demands during times of change may negatively impact engagement. We build upon this argument by drawing upon the tripartite JD-R model to explain why PCB is likely to negatively affect engagement during change.

According to the JD-R model, job resources are important predictors of engagement, while job demands significantly influence burnout (Schaufeli & Bakker, 2004a). Job demands are defined as “those physical, social, or organizational aspects of the job that require sustained physical or mental efforts” (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001, p. 501). Job resources refer to “any physical, psychological, social and organizational aspects of the job that help and support employees in their work” (Parzefall & Hakanen, 2010, p. 5). Based on these definitions, it can be concluded that when an organization fulfills its obligations toward the employee (i.e., psychological contract fulfillment, PCF) the organization is providing the employee with valuable resources. Parzefall and Hakanen (2010) conceptualized PCF as a job resource and found that PCF positively influenced engagement. However, when an organization fails to deliver on its promises (PCB), the employee perceives a lack of resources. Since a lack of resources requires more effort on behalf of an employee, and the distinctive feature of job demands is the ‘expenditure of effort’, Schaufeli and Taris (2014, p. 56) argue that a lack of resources be conceptualized as a job demand. Following this line of reasoning, we conceptualize PCB as a job demand.

The JD-R model has generally assumed that job demands are associated with burnout, but not with engagement. Schaufeli and Taris (2014) indicated, “it is an empirical fact that the relation between job demands and engagement is usually not statistically significant, but occasionally it may also be positive or negative” (Schaufeli & Taris, 2014, p. 56). According to Van den Broeck, De Cuyper, De Witte, and Vansteenkiste (2010), the non-significant relationship occurs because two different types of job demands (hindering and challenging demands), which each differentially affect engagement, are collapsed into a single variable. As a result, the positive and negative effects of these variables on engagement cancel each other out, resulting in a non-significant association. Van den Broeck et al.’s (2010) claim is supported by the results of a meta-analytic study that showed that hindrance demands negatively affect engagement, whereas challenging demands have the opposite effect (Crawford,

LePine, & Rich, 2010). Hindrance demands are perceived as obstacles to personal growth and the attainment of goals. Examples include emotional conflict, resource inadequacies, and organizational politics (Crawford et al., 2010).

As previously indicated, PCB is considered a job demand. However, taking into account the tripartite JD-R model (Crawford et al., 2010; Van den Broeck et al., 2010), we specifically conceptualize PCB as a *hindrance* job demand. We suggest organizational policies and social atmosphere breaches are experienced by employees as resource inadequacies and thus negatively affect engagement. This leads to the following hypotheses:

*H2a: Organizational policies breach is negatively related to engagement.*

*H2b: Social atmosphere breach is negatively related to engagement.*

### **2.2.3 The moderating role of supervisory informational justice**

Koivisto et al. (2013) explain that during organizational change initiatives, employees view the organization as the source of procedural fairness, whereas employees' direct managers are considered responsible for interactional fairness. Procedural fairness is characterized by "adherence to fair process criteria, such as consistency, lack of bias, correctability, representation, accuracy, and ethicality" (Colquitt, 2001, p. 386). Boyd et al. (2011) link procedural fairness to the fulfillment of obligations related to organizational policies and procedures. Drawing on Boyd et al. (2011), we suggest that procedural unfairness is conceptually linked to organizational policies breach.

Supervisory interactional justice in the context of organizational change refers to the treatment an employee receives from his or her manager during the change process (Koivisto et al., 2013), and can be further delineated in interpersonal (e.g. respectful treatment) and informational justice (e.g. honest communication, Colquitt, 2001). Even though organizational procedural justice and supervisory interactional justice are related constructs, Koivisto et al. (2013) point out that during change initiatives, employees view these separately. Thus, while employees may feel the organization has acted procedurally unjust, their manager can still be fair in his or her treatment of employees, thereby mitigating the negative effects of the organization's unfair treatment. In support of this claim, Koivisto et al. (2013) found that under conditions of high leader in-group representativeness, supervisory interactional justice

moderated the relationship between organizational procedural justice and perceived threat about change. Since employees often turn to their direct supervisor for information about change initiatives (Allen et al., 2007; Koivisto et al., 2013), we suggest that *informational* justice is particularly important. We argue that when organizations break their obligations related to organizational policies during the anticipatory phase of change, supervisors are able to mitigate the adverse effects of this perceived unfairness through informational justice. Thus, we suggest that supervisory informational justice moderates the relationship between organizational policies breach and employee outcomes, such that:

*H3a: The positive relationship between organizational policies breach and resistance to change is weaker when supervisory informational justice is high.*

*H3b: The negative relationship between organizational policies breach and engagement is weaker when supervisory informational justice is high.*

A few studies found that a positive, high-quality relationship with one's manager attenuated the adverse effects of PCB on employee outcomes (e.g., Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008; Ng et al., 2014; Zagenczyk et al., 2009). Although these studies point to the important role of the immediate supervisor in mitigating the negative outcomes of PCB, they do not explain why supervisory informational justice attenuates the effects of perceived breaches of *social atmosphere* obligations. Since this type of breach is characterized by breaches of obligations related to providing a good, cooperative work atmosphere, we consider the results of a study that examined the moderating role of supervisory behaviors in the relationship between coworker relational conflict and employee discretionary effort. Kacmar, Bachrach, Harris, and Noble (2012) found that when employees trust their supervisor to treat them fairly, the negative effects associated with negative coworker relationships are attenuated. Drawing on this study, as well as studies that examined the moderating role of manager variables in the global PCB-outcomes relationship, we suggest that supervisory informational justice moderates the relationship between social atmosphere breach and employee outcomes, such that:

*H4a: The positive relationship between social atmosphere breach and resistance to change is weaker when supervisory informational justice is high.*

*H4b: The negative relationship between social atmosphere breach and engagement is weaker when supervisory informational justice is high.*

## 2.3 Method

### 2.3.1 Research context, procedure and sample

The study was conducted among employees working within three subdivisions of the mortgage division of a large Dutch financial institution. Three months prior to the start of the study, the organization formally announced its plans for a reorganization. The objective was to reduce costs and simultaneously improve overall quality through automatizing operational activities. The planned restructuring included the relocation of employees from the three subdivisions who were, at the time of the study, on the payroll of one legal entity of the financial institution's group structure to another, more autonomously operating legal entity, that had a separate collective employment agreement. Moreover, the planned computerization of business processes would lead to a decrease in jobs, which entailed that a number of employees would be laid off. The period between the formal announcement and the moment at which the initiative would take effect was approximately one year. Thus, at the time of the study, employees were faced with uncertainty. Even though the plans had been formally communicated, it had not been announced which employees would be relocated and the type of work they would have to perform, or which employees would be laid off.

All 364 employees from the three subdivisions received an email invitation to participate in the study. It was explained that the research was carried out in an effort to understand how the announced change initiative affected employees, and how employees had thus far experienced the communication about the planned reorganization. To increase employees' willingness to participate, it was indicated that 1 euro would be donated to *Kanjerketting* - a charity for children with cancer - for every completed questionnaire. Moreover, employees were assured that their responses would be handled confidentially.

In total, 146 employees responded to the questionnaire. After cleaning the dataset (removing respondents who only filled in demographic data and insufficient effort respondents), 141 respondents remained (39% response rate), of which ten were partial respondents. Fifty-one percent of respondents were male. The mean age was 39.29 (SD = 9.7), yet four respondents did not indicate their age. 70.9% of respondents had worked for the mortgage division for at least 6 years, and 6.4% had a supervisory position. The majority of participants (70.9%) had previously experienced an organizational change.



### 2.3.2 Measures

#### *Psychological contract breach*

The organizational policies and social atmosphere dimensions of the Tilburg Psychological Contract Questionnaire (TPCQ, Freese et al., 2008) were used to measure PCB. Respondents were asked to indicate to what extent the organization had fulfilled its obligations (11 items for organizational policies breach, 9 for social atmosphere breach). Responses were provided on a five-point Likert scale, ranging from 1 = received much less than promised, to 5 = received much more than promised. All items were reverse scored such that higher scores indicated breach.

According to the results of a pilot study among employees from a different department, the original instructions of the PCB scales were unclear. Consequently, we used more detailed instructions to explain that obligations and agreements are developed between employers and employees and that these obligations can be made explicitly or implicitly (Kickul, Lester, & Finkl, 2002). Due to this and other changes made to the scale (different number of response options and different scale anchors) the validity of the existing scales may have been compromised (e.g., Lozano, Garcia-Cueto, & Muñiz, 2008). We examined the internal consistency and validity of the scales by evaluating item-total-correlations, inter-item correlations and performing an exploratory factor analysis (EFA).

For each sub-dimension, we examined the item-total correlations and inter-item correlations. Item-total correlations should exceed .50, inter-item correlations should exceed .30 (Hair, Black, Babin, & Anderson, 2010). Three items from the social atmosphere breach, and five items from the organizational policies breach scale were removed. In addition, we deleted one item from the latter scale due to conceptual overlap with another item ( $r > .70$ ). Next, we examined the validity of the scales. Prior to performing the EFA, we examined whether the items were suitable for analysis. The measure of sampling adequacy was good ( $KMO = .90$ ), however, three items had low communalities ( $< .40$ ) and were removed. An EFA based on principal axis factoring and direct oblimin was performed on the remaining eight items. Based on the a priori two-factor structure, we required two factors to be retained. One item from the social atmosphere dimension did not load on its respective factor and was removed. The remaining items loaded on their theoretical factor and factor loadings were adequate in relation to sample size (Hair et al., 2010), ranging between .47 and .83. Together

social atmosphere breach (4 items) and organizational policies breach (3 items) explained 52.44% of the variance.

### ***Engagement***

Engagement was measured with the shortened 9-item version of the Utrecht Work Engagement Scale (Schaufeli & Bakker, 2004b). Responses could be given on a seven-point frequency scale, whereby 1 = never, and 7 = always. Although engagement consists of three dimensions, these dimensions are very highly correlated (Schaufeli & Bakker, 2010), and scholars have not always been able to replicate the three-factor structure (e.g., Sonnentag, 2003). Consequently, we combined the items in one overall engagement scale; an approach which has also been used by others (e.g. Bal, Kooij, & De Jong, 2013; Paek, Schuckert, Kim, & Lee, 2015; Sonnentag, 2003).

### ***Resistance to change***

To measure affective, behavioral and cognitive resistance to change, we used the 15-item multi-dimensional scale of Oreg (2006). Answers were provided on a five-point Likert scale ranging from 1 = completely disagree, to 5 = completely agree. We phrased the items in the present tense. Positively worded items were reverse coded such that a higher score indicated higher resistance to change. We performed a confirmatory factor analysis (CFA) to examine the multidimensional structure of this scale. We used the following cut-off criteria, CFI and IFI should be .90 or higher (Marsh, Hau, & Wen, 2004), SRMR should not exceed .06 (Brown, 2015) and  $\chi^2/df$  should not be higher than 5 (Hair et al., 2010); values below 2 are indicative of very good fit, values between 2 and 5 are acceptable. In addition, standardized factor loadings and average variance extracted (AVE) per construct should be at least .50 (Hair et al., 2010).

Based on the results of the initial CFA, we deleted the behavioral dimension scale. Three of the five items of this scale had standardized factor loadings below .50. Moreover, the AVE of the remaining items did not meet the .50 threshold. Results of the CFA with the remaining 10 items (5 for affective, 5 for cognitive) showed that the standardized factor loadings of all the items met the minimum threshold of .50. Nevertheless, according to the modification indices two affective items cross-loaded on the cognitive dimension, and were deleted. The AVE of the remaining three items was above the minimum threshold. The AVE of the cognitive dimension was below .50. After deleting the two items with the lowest loadings, the AVE exceeded the .50 threshold. The remaining two-factor model had an adequate fit with the data,  $\chi^2(8, n = 141) = 17.386, p = .026, \chi^2/df = 2.173, CFI = .97, IFI = .97, SRMR = .0590$ . This model

was compared to a one-factor model, which had a poor fit with the data,  $\chi^2(9, n = 141) = 110.749, p < .001, \chi^2/df = 12.305, CFI = .69, IFI = .69, SRMR = .1396$ .

### ***Supervisory informational justice***

We measured supervisory informational justice with Colquitt's (2001) five item measure. We phrased the items in the present tense. Items were measured on a five-point Likert scale, from 1 (to a small extent) to 5 (to a large extent).

### ***Control variable***

We included tenure with the mortgage division as a control variable. Van Dam et al. (2008) found that employees with long tenure were more likely to resist change ( $r = .19, p < .01$ ). Moreover, Bal, De Cooman, and Mol (2013) indicated that the impact of PCF on engagement is contingent on tenure. In accordance with previous research (e.g., Bal et al., 2013), we dummy coded this variable such that 0 = 5 years or less, and 1 = 6 years or more.

## **2.3.3 Common method variance**

Since the data were single source and cross-sectional in nature, common method variance (CMV) may influence the results (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). We performed several CFAs in AMOS 23 using full information maximum likelihood (due to missing data) to determine whether CMV posed a serious problem in our data. First, we performed a CFA with the six variables and 27 items in our study. We used similar cut-off criteria as with the resistance to change scales (for which full data was available), however, since AMOS does not provide SRMR values when there is missing data, we examined the RMSEA ( $< .08$ , Byrne, 2010). The six factor model had an adequate fit with the data,  $\chi^2(309, n = 141) = 515.585, p < .001, \chi^2/df = 1.669, CFI = .92, IFI = .92, RMSEA = .069$ . Moreover, standardized factor loadings ranged from .57 to .93, and AVEs were at least .50. The items used in this study and their standardized factor loadings are reported in Table 2.1.

Table 2.1

*Constructs, retained items and standardized factor loadings*

Construct	1	2	3	4	5	6
Being able to trust management	.78					
Fairness and transparency of measures and procedures	.67					
Communication channels are open and direct	.68					
Good atmosphere at work		.70				
Receiving support from coworkers and supervisors		.73				
Being appreciated		.73				
Being able to voice one's opinion		.73				
Is your manager candid in his/her communications with you?			.68			
Does your manager explain the procedures regarding the change thoroughly?			.83			
Are your manager's explanations regarding the procedures reasonable?			.82			
Does your manager communicate details in a timely manner?			.85			
Does your manager tailor his/her communications to individuals' specific needs?			.76			
I was quite worked up about the change <sup>a</sup>				.57		
I am stressed by the change				.91		
The change makes me upset				.82		
I think that it's a negative thing that we are going through this change					.90	
I believe that the change will harm the way things are done in the organization					.75	
I believe that the change will benefit the organization (reverse-scored)					.59	
At my work, I feel that I am bursting with energy						.82
At my job, I feel that I am bursting with energy						.85
When I get up in the morning, I feel like going to work						.89
I am enthusiastic about my job						.93
My job inspires me						.92
I am proud on the work that I do						.86
I feel happy when I am working intensely						.81
I immersed in my work						.85
I get carried away when I am working						.82

N ranges from 131 to 141. 1 = Organizational policies breach, 2 = Social atmosphere breach, 3 = Supervisory informational justice, 4 = Affective resistance to change, 5 = Cognitive resistance to change, 6 = Engagement. <sup>a</sup> Item differs from item in original scale, see note 2.

We compared the fit of our six-factor model to a one-factor model. Results showed that this model had a poor fit with the data,  $\chi^2(324, n = 141) = 1390.301, p < .001, \chi^2/df = 4.291, CFI = .57, IFI = .58, RMSEA = .153$ , and fit significantly worse than the six factor model,  $\Delta\chi^2(15) = 874.716, p < .05$ . Next, we performed a CFA in which all items were allowed to load on their respective theoretical factor and on a latent CMV factor (Podsakoff et al., 2003). Results showed that the addition of the CMV factor improved

the fit of the model,  $\Delta\chi^2(27) = 181.41, p < .05$ . This improvement is not unexpected since the model with a CMV factor has fewer degrees of freedom and more parameters (Ng & Feldman, 2013). Yet, to rule out CMV, it is important that items load more than .50 on their respective factor when the CMV factor is included, and that loadings on the CMV factor are either non-significant or considerably smaller than those on the respective theoretical factor (Brammer, He, & Mellahi, 2015). When the CMV factor was included, all items still loaded significantly on their respective factor with standardized factor loadings above .50. Moreover, seventeen items loaded non-significantly on the CMV factor, and the remaining ten loaded considerably lower on the CMV factor than on their own factor. Additionally, based on the average of the squared standardized factor loadings, 5.54% of the variance was accounted for by CMV. Together, these results imply that CMV was not a major concern.

### 2.3.4 Analysis strategy

We used multiple regression analyses in SPSS 24 to test our hypotheses. In step 1, we entered the control variable. We entered the predictors and moderator in step 2, followed by the two-way interaction terms in step 3. The predictor and moderator variables were centered before creating the interaction terms (Aiken & West, 1991).

## 2.4 Results

Table 2.2 presents the means, standard deviations, reliability coefficients, and intercorrelations among the study variables. The results of the multiple regression analyses are presented in Table 2.3. Organizational policies breach was not significantly related to affective resistance to change ( $\beta = -.09, p > .05$ ), but was significantly positively related to cognitive resistance to change ( $\beta = .33, p < .01$ ), therefore we found partial support for hypothesis 1a. We also found partial support for hypothesis 1b. Social atmosphere breach was significantly positively related to affective resistance to change ( $\beta = .26, p < .05$ ), but not significantly related to cognitive resistance to change ( $\beta = -.10, p > .05$ ). Hypothesis 2a was not supported, organizational policies breach was not significantly related to engagement ( $\beta = -.09, p > .05$ ). Social atmosphere breach was significantly negatively related to engagement ( $\beta = -.38, p < .01$ ), providing support for hypothesis 2b.

Table 2.2

*Means, standard deviations, and correlations among study variables*

	M	SD	1.	2.	3.	4.	5.	6.	7.
1. Tenure	0.71	0.46							
2. Social atmosphere breach	2.81	0.69	.23**	(.81)					
3. Org. policies breach	3.17	0.68	.26**	.65**	(.75)				
4. Engagement	4.83	1.30	-.12	-.49**	-.38**	(.96)			
5. Aff. resistance to change	2.53	1.04	.29**	.34**	.23**	-.19*	(.80)		
6. Cog. resistance to change	3.07	1.05	.18*	.19*	.34**	-.16	.43**	(.79)	
7. Supervisory info. justice	3.29	0.72	-.20*	-.52**	-.49**	.36**	-.32**	-.23**	(.89)

N ranges from 131 to 141 due to pairwise deletion. Cronbach's alphas are reported on the diagonal in parentheses.

Tenure: 0 = five years or less, 1 = six years or more. Org. policies breach = Organizational policies breach, Aff = Affective, Cog = Cognitive. \* $p < .05$ , \*\* $p < .01$  (two-tailed).

According to hypothesis 3, supervisory informational justice moderates the relationship between organizational policies breach and a) resistance to change, and b) engagement. Results did not support this hypothesis. Hypothesis 4a indicated that supervisory informational justice moderates the relationship between social atmosphere breach and resistance to change. We found partial support for this hypothesis. While supervisory informational justice did not moderate the relationship between social atmosphere breach and affective resistance to change ( $B = -.16, p > .05$ ), supervisory informational justice significantly moderated the relationship between social atmosphere breach and cognitive resistance to change ( $B = -.46, p < .05$ ). To interpret the nature of the effect, we plotted the interaction term in Figure 1.

Although Figure 2.1 illustrates that when employees perceive a breach of social atmosphere obligations, the influence on cognitive resistance to change is less at higher levels of supervisory informational justice, the plot does not tell us at what level of the moderator this occurs (Dawson, 2014). Based on the Johnson-Neyman technique, we examined at which value of the moderator the relationship between social atmosphere breach and cognitive resistance to change became significant. Results showed that at a centered score of .62 (which corresponds to a score of 3.91) or higher, the relationship between social atmosphere breach and cognitive resistance became significantly negative (gradient =  $-.44, t = -1.989, p < .05$ ). There was no significant relationship between social atmosphere breach and cognitive resistance to change at centered scores of .61 ( $p > .05$ ) and lower on the supervisory informational justice scale. Overall, we found support for our assumption that when employees perceive that their managers score considerably high on supervisory informational justice (between 3.91

**Table 2.3**

*Results multiple regression analyses*

	Affective resistance to change					Cognitive resistance to change					Engagement				
	R <sup>2</sup>	ΔR <sup>2</sup>	F	β	B	R <sup>2</sup>	ΔR <sup>2</sup>	F	β	B	R <sup>2</sup>	ΔR <sup>2</sup>	F	β	B
<u>Step 1</u>	.08		11.68**			.03		4.10*			.01		1.83		
Tenure				.29**	.66**				.18*	.40*				-.12	-.34
<u>Step 2</u>	.19	.11**	7.35***			.13	.10**	4.82**			.26	.25***	11.04***		
Tenure				.21*	.49*				.09	.21				.02	.05
Social atmos. breach				.26*	.39*				-.10	-.15				-.37**	-.71**
Org. pol. breach				-.09	-.13				.33**	.51**				-.08	-.15
Sup. info. justice				-.19†	-.27†				-.10	-.15				.13	.24
<u>Step 3</u>	.21	.03	5.63***			.17	.04†	4.21**			.27	.01	7.48***		
Tenure				.22**	.50**				.11	.24				.02	.05
Social atmos. breach (A)				.24*	.36*				-.10	-.15				-.38**	-.73**
Org. pol. breach (B)				-.12	-.18				.29*	.45*				-.09	-.18
Sup. info. justice (M)				-.18†	-.26†				-.10	-.14				.13	.24
A x M				-.10	-.16				-.29*	-.46*				.01	.01
B x M				-.07	-.12				.14	.23				-.09	-.18

N ranges from 131 to 141 due to pairwise deletion. Tenure 0 = 5 years or less, 1 = 6 years or more. †p < .10, \*p < .05, \*\*p < .01, \*\*\*p < .001 (two-tailed).

and 5.00), the adverse effects of social atmosphere breach on cognitive resistance to change are mitigated. The results, however, did not support the moderating role of supervisory informational justice in the relationship between social atmosphere breach and engagement ( $B = .01, p > .05$ ).

## 2.5 Discussion

The results of this study showed that breach of social atmosphere obligations positively influenced affective, but not cognitive resistance to change. In contrast, organizational policies breach was positively related to cognitive but not affective resistance to change. Thus far, research has provided a mixed picture of the effects of PCB on the different dimensions of resistance to change. Van den Heuvel and Schalk (2009) found that the evaluation of one's psychological contract influenced affective but not cognitive or behavioral resistance to change, while Van den Heuvel et al. (2015) found that all three dimensions were influenced. A reason for this discrepancy might be the reliance on aggregate measures to evaluate the state of the psychological contract. Since we focused on specific dimensions of PCB, we were able to provide a more nuanced view of the effects on resistance to change. Our results seem to suggest that breaches related to the more social aspects of an employee's exchange agreement (i.e., good atmosphere, receiving support, being appreciated) are more likely to influence affective outcomes. On the other hand, more instrumental obligations related to organizational policies (i.e., clear, open communication channels, transparency of procedures) may be more likely to influence cognitions. Nevertheless, Freese et al. (2011) found that breaches of organizational policies obligations were negatively related to affective commitment, while breach of social atmosphere obligations did not affect this outcome. Yet, according to Freese et al. (2011), context effects likely influenced the results since employees in their study did not work in an office setting, but usually worked in the homes of clients. Nevertheless, these discrepancies call for more research on the effects of specific types of PCB in certain contexts and occupational groups.

We found support for the moderating role of informational justice in the relationship between social atmosphere breach and cognitive resistance to change. The results are partly consistent with related research on the role of an employee's manager in reducing the adverse effects of PCB. More specifically, previous research has shown that having a supportive relationship with one's manager mitigates the negative



effects of PCB (Dulac et al., 2008; Ng et al., 2014; Zagenczyk et al., 2009). In contrast, some scholars found opposite effects, showing that supportive managers intensify rather than mitigate the negative consequences of PCB (e.g., López-Bohle et al., 2016; Restubog et al., 2010). An important reason why we found a mitigating as opposed to an intensifying effect might be related to the type of breach examined. Most research that examined the moderating role of manager support has included global measures of breach (e.g., Dulac et al., 2008; López-Bohle et al., 2016). Since managers might be held responsible for some but not all types of breach (e.g., Dulac et al., 2008; Ng et al., 2014), it might be that managers are only able to mitigate the effects of breaches for which they are held responsible. Conversely, when managers are held partly responsible for a breach, feelings of betrayal may arise, which intensifies negative reactions to perceived breaches (e.g., López-Bohle et al., 2016; Restubog et al., 2010). This difference in attributions for breach might be the reason why supervisory informational justice only mitigated the effect of social atmosphere breach and not the effect of organizational policies breach. However, since previous research has not focused on different dimensions of PCB, more research is needed on the moderating role of supportive manager practices, such as supervisory justice, in the relationship between *specific types* of PCB and employee outcomes.

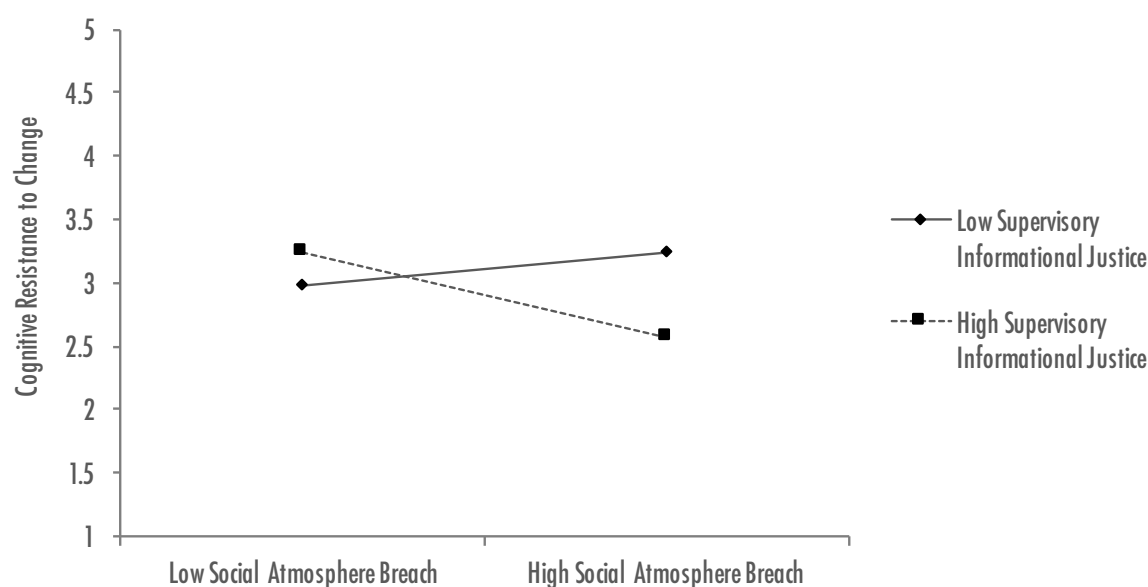


Figure 2.1. The moderating role of supervisory informational justice

Although supervisory informational justice moderated the relationship between social atmosphere breach and cognitive resistance to change, it did not moderate the relationship between this type of breach and affective resistance to change and engagement. A possible reason for this might be that the justice measure we included, which focused mainly on fairness in terms of communication practices, is capable of reducing the negative effects on cognitions but not on more affective outcomes such as affective resistance to change and engagement. Vander Elst, Baillien, De Cuyper, and De Witte, (2010) found that organizational communication did not moderate the negative relationship between job insecurity and engagement, while participation did mitigate the negative effect of job insecurity on engagement. Consequently, it might be that while communication behaviors mitigate the negative effects of PCB on cognitions, other types of supervisor behaviors, such as providing opportunities to voice concerns or being emphatic and listening to concerns, may buffer the negative effects of PCB on affective outcomes during change initiatives.

### **2.5.1 Limitations**

This study has a number of limitations. First, the data for this study was collected within one organization, which limits the generalizability of the findings. Second, since the data was collected at one point in time, we cannot draw causal inferences. Relatedly, since our study focused solely on the first stage of change, we cannot speak to the long-term mitigating effects of supervisory informational justice. Furthermore, although we included two sub-dimensions of PCB, we drew upon previous research and conceptual work to determine which types of PCB are most important in the anticipatory phase of change. In future studies, scholars should include all five dimensions of the psychological contract (Freese et al., 2008) to statistically determine which types of PCB are most important in this phase of change. Finally, we did not include supervisory interpersonal justice. Future research could include measures of interpersonal justice to determine whether this type of behavior can mitigate the negative effect of PCB on affective outcomes.

### **2.5.2 Practical recommendations**

The results of our study showed that perceptions that the organization has (partly) failed to fulfill obligations related to clear communication, transparency and fairness of procedures and being trustworthy, increases cognitive resistance to change in the anticipatory phase of change. Since resistance to change can hamper the successful

implementation of a change initiative (Van Dam et al., 2008), it is important that change agents try to limit the perceptions of organizational policies breach. For example, shortly after the announcement of a change initiative, change agents should offer a realistic preview of the proposed changes (Schweiger & DeNisi, 1991). In some instances, however, it may not be possible for organizations to provide detailed information at the outset. In those circumstance it is essential that change agents provide an indication of when the information will become available (Jimmieson et al., 2004). By providing a realistic change preview or by indicating when employees can expect to receive new information, employees are less likely to perceive that the organization is *purposefully* keeping employees in the dark and reneging on its promise to be fair and transparent in procedures, communicate clearly and openly and being trustworthy.

It has been suggested that engagement is important to the success of a change initiative (e.g., Van den Heuvel et al., 2009; Sousa & Van Dierendonck, 2014). Yet, according to the results of our study, engagement is negatively affected by perceptions of social atmosphere breach during the first phase of change. This is in accordance with results from a recent longitudinal study, which indicated that cutback-related change efforts negatively impacted engagement (Kiefer et al., 2014). Since employees who possess a great deal of energy (i.e., an important component of engagement) are able to effectively deal with organizational change (Tummers et al., 2015), it is essential that organizations focus on employee engagement levels throughout a change initiative. As perceptions of social atmosphere breach negatively affect engagement, organizations should try to limit the perception of breaches of these types of obligations. More specifically, organizational representatives must be aware that the uncertainty that is caused by anticipated change may cause good, cooperative work environments to deteriorate. Organizations can address this issue by giving human resource employees or managers counselor training (Baillien & De Witte, 2009). As counselors, these organizational agents can act as an important support system for employees during change initiatives.

Finally, it is important that organizations understand the essential role of immediate managers in the change process. Koivisto et al. (2013) point out that the role of an employee's direct supervisor during change initiatives has not received enough attention. Our study shows that when employees perceive that the organization is failing to keep commitments, immediate managers can reduce the negative effects of this unfair treatment by being honest in communications, by providing timely information and by providing adequate explanations of the change procedures.

## Notes

1. Pairwise deletion was used as less than 10% were partial respondents (Newman, 2014).
2. In Oreg's scale, one of the items of affective resistance was worded positively, 'I was quite excited about the change'. Excited was translated into a Dutch word that carries a negative connotation (i.e., worked up). Thus, this scale was measured with 5 negatively phrased items.
3. One of the items was slightly reworded to specifically denote procedures about the change.

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# Chapter 3

Mending fences or fanning the flames?  
To what extent do supportive manager  
practices mitigate the negative effects of  
psychological contract breach?

This chapter is based on:  
De Ruiter, M., Schalk, R., & Blomme, R. J. Manager ability, motivation, and opportunity-  
enhancing practices: Implications for employee responses to psychological contract breach.  
*Paper presented at the EAWOP Small Group Meeting 'Unravelling the role of time in  
psychological contract processes', November 2016, London, UK.*

# Abstract

Existing research on the moderating role of manager support in the relationship between psychological contract breach and employee outcomes has shown mixed results. Some studies found that manager support reduced the negative consequences of breach, while others found intensifying effects. Some studies found no support for a moderating role. In this paper, steps are taken to resolve these discrepancies. Studies to date have only considered broad concepts of support, but have not investigated actual manager behaviors. Moreover, studies have largely focused on global perceptions of breach. Yet, it might be that certain manager behaviors are more effective in the context of specific kinds of breach but not others. A qualitative study among 17 employees and managers was conducted to identify supportive manager behaviors in the context of breach. Based on template analysis and an integration with the ability, motivation, and opportunity (AMO) framework, three types of supportive behaviors were identified: ability, motivation, and opportunity-enhancing practices. A quantitative study ( $n = 232$ ) was conducted to examine the moderating and joint-moderating role of these practices. Opportunity-enhancing practices mitigated the positive relationship between organizational policies breach and psychological contract violation. Motivation-enhancing practices mitigated the negative relationship between rewards breach and commitment, yet opportunity-enhancing practices intensified this negative relationship. Ability and opportunity-enhancing practices jointly moderated the relationship between job content breach and turnover intentions. This study takes an important step toward disentangling inconsistent findings regarding the moderating role of manager support in the breach – employee outcomes relationship.

### 3.1 Introduction

*“A supportive relationship with a supervisor may ameliorate the negative effects of PCB [psychological contract breach] experienced by an employee”*  
Zagenczyk, Gibney, Kiewitz, and Restubog, 2009, p. 241

*“High-quality LMX [leader-member exchange] relationships may provide the actual or perceived levels of support necessary for employees to cope with the stress of experiencing cognitions that, in general, their organization has not fulfilled its promises”*  
Dulac, Coyle-Shapiro, Henderson, and Wayne, 2008, p. 1085

*“It can be expected that when managers offer support to their employees, the latter will be less likely to be negatively affected by contract breach, and thus will uphold performance levels”*  
López Bohle, Bal, Jansen, Leiva, & Alonso, 2016, p. 8

Psychological contract breach (PCB) occurs when an employee perceives that the organization has not kept promised obligations toward him or her (Morrison & Robinson, 1997). A large body of research has shown that PCB negatively affects employee outcomes (Bal, De Lange, Jansen, & Van der Velde, 2008; Zhao, Wayne, Glibkowski, & Bravo, 2007). To illustrate, studies have found that PCB reduces positive attitudes such as organizational commitment and job satisfaction (e.g., Zhao et al., 2007), whereas it increases unfavorable attitudes and behaviors including turnover intentions and organizational deviance (e.g., Restubog, Zagenczyk, Bordia, & Tang, 2013; Zhao et al., 2007).

As exemplified by the quotes at the beginning of this chapter, scholars suggest that a supportive relationship with one's manager is likely to mitigate the negative consequences of PCB. Despite the intuitive appeal of this claim, studies examining the moderating role of manager support have shown inconsistent results. While some studies found support for the mitigating effect of a supportive relationship with one's manager (e.g., Dulac et al., 2008; Lu, Shen, & Zhao, 2015; Ng, Feldman, & Butts, 2014; Stoner, Gallagher, & Stoner, 2011; Tang, Restubog, & Cayayan, 2007; Zagenczyk et al., 2009), others found no support for the moderating role in all (e.g., Francisco, 2015) or some of the relationships examined (Lu et al., 2015; Ng et al., 2014). Conversely, some scholars found an intensifying as opposed to a mitigating effect across single or multiple studies (e.g., López Bohle et al., 2016; Restubog, Bordia, Tang, & Krebs, 2010; Suazo, 2011).

A detailed evaluation of the research designs of studies examining the moderating role of manager support in the PCB-employee outcomes relationship points to two potential reasons for these discrepant results. First, the way in which perceptions of breach were measured may have contributed to the mixed findings. Second, the inconsistencies in research results may stem from the type of supportive manager variables that were included in these studies. Almost all studies examining the moderating role of manager support measured global perceptions of PCB (e.g., Francisco, 2015; López Bohle et al., 2016; Restubog et al., 2010; Tang et al., 2007). Although global measures are relevant for assessing the consequences of PCB (Zhao et al., 2007), we argue that general perceptions of breach are less suitable for studies examining the moderating role of manager support in the PCB-employee outcomes relationship. That is, employees may likely hold their managers (partly) responsible for some breaches (Ng et al., 2014), but not others. This entails that managers might be able to mitigate the effects of some types of PCB, while it may not be possible for them to reduce the negative consequences of other types of breach. However, when global perceptions of breach are assessed, it is not clear which type of breach employees considered. Consequently, it is not possible to examine to what extent a manager was able to reduce the negative effects of certain kinds of breach. Consequently, we suggest that it is important to focus on dimensions of breach, as this helps determine to what extent manager support is able to mitigate the negative outcomes of certain types of PCB.

Thus far, when examining the moderating role of manager support in the PCB-employee outcomes relationship, scholars have mostly included measures of leader-member exchange, in short, LMX (e.g., Dulac et al., 2008; Lu et al., 2015; Suazo, 2011; Tang et al., 2007), while a few included measures of supervisor support (e.g., López Bohle et al., 2016; Zagenczyk et al., 2009). Although these variables are certainly very useful in organizational behavior research (e.g., Dulebohn, Bommer, Liden, Brouer, & Ferris, 2012; Ng & Sorensen, 2008), LMX and supervisor support do not focus on specific, concrete manager behaviors (e.g., Amabile, Schatzel, Moneta, & Kramer, 2004; Peng & Lin, 2016; Wang, Law, Hackett, Wang, & Chen, 2005). For example, Lloyd, Boer, and Voelpel (2015) explain, “The theory [LMX] does not specify which specific behavior fosters such strong leader-follower bonds” (p. 4). Moreover, in a study on supervisor feedback, Peng and Lin (2016) point out that LMX “does not measure supervisors’ feedback, and their real leadership behaviors” (p. 803). Although broad concepts such as LMX and supervisor support do not focus on specific leader behaviors, scholars examining the moderating role of these variables often describe specific behaviors managers should use in the context of PCB. For example, scholars

have suggested that managers should provide explanations for why a promised obligation was not fulfilled or should support employees by standing up for those who have experienced PCB (e.g., Dulac et al., 2008; Zagenczyk et al., 2009). Although supportive managers may certainly employ these types of behaviors, by focusing on LMX and supervisor support, existing research has not examined the mitigating effect of specific manager behaviors. Since there is a lack of knowledge regarding the types of behaviors managers can use in the context of PCB, and the extent to which these behaviors are effective in minimizing the negative effects of PCB, we argue that it is pivotal to identify and conceptualize these behaviors and assess to what extent they play a mitigating role in the PCB-employee outcomes relationship. Moreover, with regard to breaches of different types of obligations, a focus on specific manager behaviors also more clearly indicates the types of behaviors necessary for mitigating the effects of certain breaches. It might be that providing explanations is sufficient for some types of PCB, but that additional supportive manager practices, such as being a champion for an employee who experienced PCB, are necessary for mitigating breaches of other types of obligations.

In this paper, we aim to resolve the discrepancies found in previous research that examined the mitigating role of manager support in the PCB-employee outcomes relationship. We aim to do so by focusing on the moderating role of concrete, supportive manager behaviors in the relationship between specific types of PCB and employee outcomes. In order to achieve this goal, we undertook two studies. First, a qualitative study was conducted to identify the types of supportive behaviors and practices managers use to reduce the negative effects of breaches of organization obligations. By integrating our findings with an existing framework – the ability, motivation, and opportunity (AMO) model – we distinguished between three main categories of supportive manager behaviors: ability, motivation, and opportunity-enhancing practices. Next, we conducted a quantitative study to examine the moderating and joint moderating role of manager ability, motivation, and opportunity-enhancing practices in the relationship between six types of breach (development, job content, organizational policies, rewards, social atmosphere, and work-life balance) and employee outcomes.

## 3.2 Study 1: Identifying supportive managerial practices in the context of psychological contract breach

Although empirical research on the mitigating role of concrete, supportive manager behaviors in the PCB-employee outcomes relationship is rare, scholars have developed conceptual frameworks that offer important insights regarding the types of supportive behaviors managers can use in the context of breaches of organization obligations (e.g., Scandura & Williams, 2002). Moreover, the broader literature on redressing PCB (e.g., Rousseau, 1995) also points to behaviors managers can use to reduce the negative effects of PCB. In the following sections, the existing literature is reviewed and supportive manager behaviors and practices in the context of PCB are identified.

### 3.2.1 Review of relevant literature

#### 3.2.1.1 Providing explanations

Rousseau (1995) suggested that offering credible explanations for why a breach of organizational obligations occurred is an effective way of minimizing the negative effects of PCB. To the authors' knowledge, Petersitzke (2009) was the first to empirically explore whether offering explanations can minimize the negative outcomes associated with PCB. The word *explore* is critical in this respect since Petersitzke (2009) was only able to examine Rousseau's proposition among a very small sample ( $n = 21$ ) of employees who experienced a major breach of obligations. Additionally, due to the small sample, moderation analyses were not feasible. Instead, Petersitzke (2009) found that among employees who experienced a severe breach, providing an honest explanation was positively related to trust. According to Petersitzke (2009), this finding suggests that giving a sincere explanation can mitigate the negative effect of PCB on trust. However, considering the limitations of this study, these results should be interpreted with caution. In a related study on dealing with perceptions of discrepant obligations, Tsui, Ashford, St. Clair, and Xin (1995) found that managers who explained decisions in situations in which they were unable to meet expectations were considered more effective than managers who did not provide explanations. Moreover, Bies (2013) suggested that "giving an explanation or justification for an action or outcome" (p. 145) – i.e. *account giving* - is considered a trustworthy managerial behavior when delivering unpleasant information. Consequently, based on these studies, providing a sincere explanation is considered an important supportive managerial practice in the context of breaches of organization obligations.



### 3.2.1.2 Fair treatment

It has been suggested that fair treatment can reduce the negative consequences of PCB (Rousseau, 1995). This potential mitigating factor has received most empirical attention in the psychological contract literature through assessment of the moderating role of justice perceptions in the relationship between PCB and employee outcomes (e.g., Kickul, Lester, & Finkl, 2002; Kickul, Neuman, Parker, & Finkl, 2001; Lo & Aryee, 2003; Robinson & Morrison, 2000; Turnley & Feldman, 1999). Yet, results of empirical studies addressing this issue are mixed. Conway and Briner (2005) argue that there is very little compelling evidence for the moderating effect of justice perceptions. In accordance, results of three studies by Rosen, Chang, Johnson, and Levy (2009) in which four competing models pertaining to the relationship between PCB, organizational justice and politics were assessed, provided no support for a moderating role of organizational justice in the relationship between PCB and employee outcomes.

The studies discussed in the previous paragraph assessed justice perceptions in terms of organizational justice, hence fair treatment on behalf of the immediate manager – or supervisory justice (Koivisto, Lipponen, & Platow, 2013) – was not considered in these studies. Koivisto et al. (2013) distinguish between organizational procedural justice and supervisory interactional justice. The former is connected to formal organizational procedures, whereas direct managers “have jurisdiction over interactional aspects of justice” (Koivisto et al., 2013, p. 596). This is connected to Baccili’s (2001) claim that while organizations can breach obligations through unfair procedures in implementing changes (i.e., organizational procedural injustice), managers can still act fairly.

Interactional justice consists of two dimensions, informational and interpersonal justice (Colquitt, 2001). The first dimension, which is represented by items such as reasonable explanations and thorough explanations, is related to the behavior ‘providing explanations’ already discussed in section 3.2.1.1. In this section, we therefore particularly highlight the importance of interpersonal justice, which is characterized by treating an employee with dignity and respect (Colquitt, 2001), for reducing the negative effects of PCB.

### 3.2.1.3 Remediation

Rousseau (1995) proposed that remediation would be effective in reducing the negative effects of PCB. Remediation entails *compensating* for the breach of obligations

by providing an alternative or more of another incentive (Conway & Briner, 2005). To the authors' knowledge, one study has explored this proposition. Petersitzke (2009) found that for employees who experienced severe PCB, the managerial practice 'offering symbolic compensation' positively affected the levels of trust of these employees. As previously indicated, however, due to the small sample size ( $n = 21$ ) of this study, these results are only preliminary. Nevertheless, based on Rousseau's proposition and some initial empirical support (Petersitzke, 2009), this supportive managerial practice is considered relevant in the context of PCB.

#### **3.2.1.4 Communication practices**

Petersitzke (2009) suggested that positive supervisory communication behaviors can lessen the unfavorable effects of PCB. Peterstizke (2009) conceptualized positive supervisor communication behaviors in terms of leadership communication quality and verbal consideration. The former refers to a manager who is able to clearly pass on information and carefully refer to details, and who is willing to listen to one's direct reports. In accordance, results of a qualitative study showed that when the organization fails to keep promised obligations, employees expect their immediate manager to be open and honest in their communications, answer questions and listen to employees' concerns (Baccili, 2001).

Verbal consideration is defined as "a leadership behavior that expresses esteem for the follower and his or her work, knowledge and opinion" (Mohr & Wolfram, 2008, p.4). It conveys a supportive attitude toward the employee through the expression of genuine interest and by taking the employee seriously. Mohr and Wolfram (2008) explain that this type of behavior encourages the favorable reception of the content of the communicated information. These managerial communication behaviors are considered supportive in the context of PCB.

#### **3.2.1.5 Advocating**

Restubog, Bordia, and Bordia (2011) suggest that supervisors in high LMX relationships may act as an advocate in situations in which employees have experienced PCB. Yet, it has not been examined empirically whether advocating behaviors are actually used by managers or to what extent these behaviors can reduce the negative effects of PCB. Nevertheless, results of a qualitative study showed that employees expected their immediate managers to be an advocate for them when faced with negative situations imposed by the organization's decisions (such as PCB), act as a liaison with higher management, and verbally provide support for employees when

they were treated unfairly by the organization (Baccili, 2001). Although the mitigating role of these behaviors has not been examined empirically, based on conceptual and exploratory work, these behaviors are considered important for minimizing the unfavorable outcomes associated with PCB.

#### **3.2.1.6 Mentoring behaviors**

Scandura and Williams (2002) discussed the role of (supervisory) mentoring in minimizing the negative consequences of PCB. Some of their assumptions are also applicable to immediate managers who may not have a mentoring relationship with their subordinates. Scandura and Williams (2002) suggest that by developing an employee's skills and competencies, an employee is likely to be better equipped to survive reorganizations and cope with breaches caused by reorganizations. That is, a manager can help an employee "understand how to utilize new skills to continue to add value to the organization" (Scandura & Williams, 2002, p. 179). Moreover, managers can help employees obtain assignments that increase their visibility among important organizational players (Scandura & Williams, 2002). In addition, these authors proclaim that realigning an employee's expectations will reduce the adverse effects of PCB. However, Tsui et al. (1995) found that managers who tried to alter or adjust others' expectation were considered ineffective. Employees may "interpret a manager's attempt to change their expectations as lacking respect for their needs or treating their expectations as illegitimate (Tsui et al., 1995, p. 1535). Consequently, while developing employee skills and providing visibility are considered supportive practices, based on Tsui et al. (1995), the practice 'aligning expectations' is not considered a supportive managerial practice in the context of PCB.

#### **3.2.2 A priori supportive manager behaviors**

Based on the literature discussed in the previous sections, nine *a priori* supportive managerial behaviors were identified. These behaviors are summarized in Table 3.1 on the following page.

Concluding from the review of the existing literature, an employee's immediate manager seems to be able to reduce the negative effects of PCB by providing an explanation, treating an employee with respect, offering an alternative for the loss of a valued inducement, employing various communication practices (including verbal consideration, listening skills and leadership communication quality), by advocating

for employees who have experienced PCB and through mentoring behaviors (i.e., providing visibility and developing an employee's skills and competencies).

**Table 3.1**

*Descriptions of a priori categories of manager behaviors and practices*

A priori behavior	Description
Providing sincere explanation	Gives an adequate/honest explanation for why the PCB occurred; provides a credible explanation for the PCB <sup>a,b</sup>
Fair interpersonal treatment	Treating an employee with dignity and respect after employee has experienced PCB <sup>c</sup>
Remediation	Provides compensation for PCB; offers an alternative for the loss of inducement; gives symbolic compensation <sup>a,b,d</sup>
Verbal consideration	Takes employee's concerns about PCB seriously <sup>a,e</sup>
Leadership communication quality	Clearly disseminates information related to PCB, and is open and honest in communications <sup>a</sup>
Listening skills	Listens empathically to employee when (s)he expresses dissatisfaction/concerns with experienced breach(es) <sup>f</sup>
Liaison with upper management	Communicates employee concerns about PCB to higher management; acts as a spokesperson/advocate for employee in communications with upper management about PCB <sup>g</sup>
Provide visibility in the organization	Provides high profile assignments after PCB; increases employee's visibility after PCB <sup>h</sup>
Developing employee's skills	Provides training/coaching to help employee cope with PCB <sup>h</sup>

a = Petersitzke, 2009, b = Rousseau, 1995, c = Colquitt, 2001, d = Conway & Briner, 2005, e = Mohr & Wolfram, 2008, f = Baccili, 2001, g = Restubog et al., 2011, h = Scandura & Williams, 2002.

Although the review of the literature points to a number of behaviors and practices managers can use to reduce the negative consequences of breaches of organization obligations, most of this work is conceptual. Consequently, it is important to conduct additional, qualitative research to determine whether there are more behaviors and practices managers can use in this context. Nevertheless, since knowledge and insights are available, the a priori behaviors depicted in Table 3.1 will be used as input for the qualitative analyses.

## 3.2.2 Method

### 3.2.2.1 Sample and context

The study was conducted among nine employees and eight managers from an IT department of a large Dutch insurance company. At the time of the study, the

department consisted of one director, eight immediate managers, and 126 internal employees.

Saunders (2012) highlights the need to select an 'appropriate' sample. More specifically, it is necessary to select a sample that enables researchers to fulfill their research goal (Saunders, 2012). The sample chosen for this study was considered appropriate because the director and HR manager of the participating department indicated that although organizational changes stipulated by the insurance company made it increasingly difficult to fulfill obligations toward employees, the department was focused on maintaining employee satisfaction and commitment. Thus, direct managers within this department were expected to address situations that could lower employee morale and satisfaction, including PCB.

In collaboration with the department's HR manager, purposive sampling was used to select employees to participate in the study. Considering that the behaviors of the managers in the department may differ, it was decided to interview at least one employee who was supervised by each of the managers. That is, by interviewing employees who report to different managers - who may likely incorporate different behaviors in the context of PCB - it is possible to obtain a wider pallet of manager practices. Employees ranged in age from 29 to 54 with an average of 41.3 years. All employees had completed a university of applied sciences education. The average tenure with the insurance company was 8.5 years, ranging from 3 months to 27 years, while the average tenure with the department was 3.1 years, ranging from 3 months to 8.5 years. The average tenure with the current manager ranged from 2 months to 4 years, with an average of 1.3 years.

In addition to employees, the director as well as seven of the department's managers participated. The average age was 43.1 years, ranging from 32 to 51 years. Thirty-seven and a half percent had completed a university of applied sciences education, whereas the remaining managers had completed an education at university level. The number of years in a managerial position ranged from five to 20 years, with an average of 8.6 years. The average tenure with the department was 1.9 years, ranging from 2.5 months to 8 years.

#### **3.2.2.2 Data collection**

The critical incident technique (CIT; Flanagan, 1954) is a qualitative research method that specifically examines "what helps or hinders in a particular experience or activity"

(Butterfield, Borgen, Maglio, & Amundson, 2009, p. 268), and is particularly suitable for the present study. Butterfield and colleagues (2009) developed the Enhanced CIT (ECIT), which extends the CIT with contextual questions and wish list items. The latter is particularly valuable as it provides the opportunity to collect information on managerial behaviors that were not employed, but which participants believed would have helped in reducing the negative effects of breach.

Two interview guides were developed, one for employees and one for managers. The interview guide for employees began with contextual questions, which were used to provide context for the helping and hindering critical incidents and wish list items. Employees were asked to describe one or more situations in which the organization had failed to fulfill promised obligations (i.e., PCB), whether they had experienced this at their current or previous employer(s), whether and to whom they had indicated that they had experienced this, and what they believed their immediate manager's role was in addressing this issue. Next, for each instance of PCB, participants were asked to 1) explain what their immediate manager did to help in this situation, thus the behaviors they found supportive, 2) explain if there was anything their immediate manager did that made the situation worse, thus behaviors they found hindering, and 3) if there was anything their manager could have done but did not do that would have helped them in that situation (wish list items).

The interview guide for managers also began with contextual questions. Managers were asked to describe one or more situations in which one of their direct reports had experienced PCB, how they had become aware of these situations, whether they felt responsible to take action in instances of PCB, the tools they had at their disposal to deal with PCB, and the role of the HR department in redressing PCB. Next, for each instance of PCB managers described, they were asked 1) to explain what they did to help their direct report in this situation, thus explain helpful, supportive practices that they used, 2) explain practices that they used that may have hindered the employee in that situation, and 3) indicate whether there was anything else they could have done in that situation but did not do? In both the manager and employee interviews, probing questions were used to obtain more elaborate and rich descriptions of managerial behaviors.

### **3.2.2.3 Procedure**

The employee interviews ranged from 32 minutes to one hour and 42 minutes in length with an average of one hour and three minutes. The manager interviews ranged from

one hour and five minutes to one hour and 43 minutes, with an average of one hour and 23 minutes. The interviews were conducted in conference rooms at the department's premises. A Dutch native speaker conducted all the interviews in Dutch. All interviews were audio recorded and transcribed verbatim. At the beginning of each interview, the interviewer explained the purpose of the study, obtained informed consent (see Appendix B.1) and answered questions of the interviewees. The quotations selected for the illustrations of managerial behaviors were translated into English. Two researchers verified the precision of the translations. It is important to note that not all employees granted permission to use their quotes in reports based on the study.

#### **3.2.2.4 Data analysis**

Template analysis was used to analyze the helping critical incidents and wish list items. Template analysis allows researchers to develop, prior to the start of their study and analysis of the data, a set of categories informed by theoretical, empirical or practical insights (King, 2012). These categories are tentative and will be adapted and refined during the analysis (King, 2012). Based on the literature review, a number of a priori categories of supportive manager behaviors were identified (Table 3.1). By employing template analysis, it was possible to incorporate this knowledge in the analysis. The steps involved in the analysis are discussed below.

##### ***Step 1: A priori categories and provisional coding***

The first step in the analysis was the provisional coding of helping factors and wish list items from the manager interviews. In template analysis, it is common practice for researchers who have collected data from different groups of participants to use the transcripts from one of these groups for preliminary coding (e.g., Dick, 2006; King, 2012). In order to be included in the analysis, helping factors and wish list items had to adhere to several inclusion criteria. Helping factors must describe supportive managerial behaviors in relation to an interviewee's direct experience with PCB. For the manager sample, the manager had to have used the behavior him or herself in the context of a PCB experienced by one of his or her direct reports. Thus, the descriptions of the immediate manager's helping behavior must have been specifically geared toward helping the employee cope with an experienced PCB as opposed to helpful managerial practices in general. Examples of practices employed by colleagues or behaviors in response to general examples of breaches were not included. Furthermore, wish list items had to be specifically related to managerial behaviors that were desired in response to PCB experienced by the employee or by the manager's

direct reports. Behaviors that employees and managers found helpful in general or in situations other than PCB were excluded. Color-coding was used to code helpful managerial practices and wish list items. In addition to using the categories that were identified a priori to label the segments of text, new labels were used to identify additional provisional categories (e.g., confer) that emerged during this phase of the analysis.

### ***Step 2: Developing the initial template***

In template analysis, an initial template is created based on a part of the data (King, 2012). The initial template was based on six manager interviews. The initial template was created by clustering the provisional categories together in a meaningful way (King, 2012). Following King (2012), post-its containing the provisional categories were used to facilitate this process. For example, through this process, the a priori categories 'fair interpersonal treatment', 'listening skills' and 'verbal consideration' were merged to form the category 'listen emphatically'. At this stage, the categories 'leader communication quality' and 'provide sincere explanations' were also merged to form the category 'provide adequate explanations'. Moreover, the categories 'liaison' and 'provide visibility' were merged in 'represent employees'. In all instances, these categories were merged because based on the interviewees' descriptions, it was not possible to distinguish them in a meaningful way.

### ***Step 3: Creating the final template***

Once the initial template had been created, the data analysis moved through an 'iterative process' (King, 2012, p. 430), in which the initial template was applied to the complete set of interview transcripts, and further revised and refined. During this stage, the category 'developing employee's skills' was further refined by distinguishing between 'coaching' and 'provide training opportunities'. The category 'represent employees' which had been created in the initial template by merging two categories, was separated into 'address employee concerns' and 'navigate the organizational playing field'. Furthermore, a new category 'deliver on breached obligation' was developed after having applied the template to the complete dataset.

In order to develop a credible model of supportive managerial behaviors in the context of PCB, the findings from the manager and employee interviews were triangulated. In order to facilitate this process, participation rates for the separate and total samples were obtained. Butterfield et al. (2009) indicated that in order for a category to be viable, at least 25% of the participants must have contributed at least one helping



critical incident or wish list item to that specific category. Pratt (2008) indicated a cut-off of 10% when using triangulation. Therefore, to be included in the final template, a category must have been identified by at least 25% of the total sample. Moreover, at least 10% of both the employee and manager sample should have contributed to a category. Based on these criteria, two types of behaviors that were considered helpful by managers, but which were not mentioned by any of the employees, were not included in the final template.

#### ***Step 4: integrating the final template with existing theory***

Dick (2006) emphasized that following the development of the final template, “it is necessary to move beyond the descriptive nature of the summary towards interpretation and theorization” (p. 45). In order to make sense of the categories that were conceptualized in the final template, the ability, motivation, and opportunity (AMO) model was used. Moreover, based on this framework, the nine categories were meaningfully grouped under three higher-order categories. The integration of the findings with the AMO framework is elaborated upon in the discussion section.

### **3.2.3 Results**

Based on the analyses, nine types of supportive manager behaviors were identified, namely 1) coaching, 2) providing training opportunities, 3) compensating, 4) delivering on breached obligation, 5) listening emphatically, 6) providing adequate explanations, 7) conferring, 8) addressing employee concerns, and 9) navigating the organizational playing field. In the following sections, each of these behaviors is described in more detail by drawing upon illustrative quotations from the interview transcripts. Moreover, since the results showed that certain manager behaviors were particularly relevant in relation to specific types of breach, the context in which the manager behaviors were employed is also provided.

#### **3.2.3.1 Coaching**

The managerial practice ‘coaching’ entails that a manager teaches an employee specific job-related skills, that he or she encourages the employee to think about ways in which the employee can perform his or her job, and that he or she provides feedback.

One manager explained that one of his/her direct reports experienced a PCB in relation to the content of his/her job. That is, when the employee came to work for the department, (s)he would act in a specific role, yet due to an organizational change,

(s)he was expected to enact his/her role differently. This employee experienced difficulties with this, indicated that (s)he was not able to perform his/her job as (s)he was supposed to because it was very difficult for him/her to work with employees from other departments in this new role. The manager explained that this breach had led to low morale and absenteeism. The manager further explained that (s)he provided support to this employee by coaching him/her in how to take on this new role,

*"I need to make [the employee] aware and also very, very basic [things]. At a certain moment I told [the employee], 'I want you to keep track of how often, when you hold these conversations, you write down what is agreed upon, and email this [to colleagues from other departments] and then assess how others respond' (...) I take this up with [the employee] instrumentally. 'Just do this, then you will learn this is very common and that others also respond to this' (...) and then you notice that [the employee] gains positive experiences"*

Moreover, in response to an employee who experienced a breach of career development obligations, a manager provided the following feedback:

*"If you want to do this [step in career], good, then we will help you with that. Develop a plan so that you are able to achieve that [step in career]. So if you still want to achieve that, then you need to change, and these are the changes you need to make"*

### **3.2.3.2 Provide training opportunities**

Managers who provide employees with training opportunities give employees the opportunity to take part in training, workshops and conferences or suggest trainings that could be of benefit to the employee.

In relation to a breach of career development obligations, where an employee had not received a specific career step although based on his/her hard work and effort the employee believed the organization was obligated to provide this, a manager offered to provide training opportunities to further develop the employee's skills,

*"That could be certain training sessions, that you see to it that the employee can participate in those training sessions"*

Moreover, an employee explained that the department advertised itself as being determined and ambitious to be the best in this specific field of IT, yet off-the-job training opportunities including conferences and information sessions that were

needed to obtain that high level were not provided, and were even portrayed by the department as being so-called 'fun-outings'. The employee indicated that (s)he believed his/her manager should make sure (s)he received training opportunities, because without such training opportunities the department did not fulfill the obligation of being the best and most ambitious in that particular field of IT. Thus, this employee discussed 'providing training opportunities' as a wish list item.

*"Also that you bring in knowledge within the organization, because I believe that you need that [knowledge] when you have such an ambitious objective in the field of IT. I believe that [the department] currently lags behind in this respect (...) and I think our immediate managers should actively pursue this to make sure these [training opportunities] can actually be provided"*

### **3.2.3.3 Compensate**

Similar to suggestions of Rousseau (1995) and Conway and Briner (2005), participants explained that providing alternatives or compensation for a breach of obligations was considered important for coping with perceptions that the organization had failed to fulfill promised obligations.

A manager explained that in response to an employee who experienced PCB because (s)he was now expected to travel to a far location while (s)he was promised during recruitment that traveling would be limited, the manager provided the employee with flexibility in his/her travel and the opportunity to work from home,

*"When possible, I arranged it in such a way that [the employee], of course I understood that traveling five days a week to [far location] is much, so now [the employee] can work from home 1 day in the week, probably also one day in the week in [place], so then [employee] will only have to travel there [far location] three days in the week"*

Furthermore, an employee who had experienced a PCB related to rewards (more specifically, financial benefits) expected his/her immediate manager to provide financial compensation for this in the future:

*"I hope my manager will compensate me for this [PCB] in the future, thus when (s)he receives an opportunity to compensate me, that (s)he grabs it (...) you miss a certain amount of money each month, well we can compensate for this with tax-free reimbursement of*

*expenses or at least during the next salary negotiations that [immediate manager] will do something"*

Moreover, a manager explained a situation in which (s)he had promised one of his/her direct reports the opportunity to spearhead a workgroup and give a presentation. However, due to various circumstances, (s)he had decided to complete this task herself, which resulted in PCB for this employee. In order to make of for the breach, the manager offered a different inducement,

*"Well, then I would consider how I could compensate for this, how I could take away the disappointment of not being able to attend that meeting by offering something else that is also a lot of fun, whereby someone also feels good (...) through a different meeting or participation in a project"*

#### **3.2.3.4 Deliver on breached obligation**

The managerial practice 'deliver on breached obligations' entails that managers make sure that the breached obligation is still fulfilled by trying to persuade higher management to still fulfil its obligations vis-à-vis the employee, albeit at a later time. For example, a manager explained that in response to an employee who experienced a breach related to rewards, more specifically, a company car, (s)he made sure the employee received this benefit in the end,

*"Well eventually [the employee] received a company car, because we acknowledged that in that situation, we required [long travel time] of [the employee]. This situation was that [the employee] had for a long time travelled to [far location], then we also have to do something in return. That [company car] is what we arranged, and [that employee] is now sitting behind the wheel with a big smile driving to [far location]"*

Furthermore, an employee explained that in response to a PCB related to rewards (specifically, remuneration), his/her manager was essential in making sure the employee was reimbursed for costs (s)he had made during a business trip and which the organization had promised to refund, but had failed to do for quite some time. The employee explains,

*"At the time, I believe my manager had to write three letters (...) so my manager really pursued this issue, otherwise I would have just left"*

### 3.2.3.5 Listen empathically

Managers who 'listen empathically' are willing to listen to an employee's concerns and dissatisfaction in response to an experienced breach. Moreover, interviewees indicated that managers should be respectful and not trivialize the employee's experience of PCB, even if (s)he may disagree about whether or not there was actually a breach of obligation. A manager explains,

*"And then well, you take what the employee says at face value, it is probably very important to him/her, even if it would be just a minor detail for you, it is probably very important. And give attention to that. So accept it, do not go into discussions about, do not judge it"*

Moreover, an employee explained how (s)he really appreciated being able to openly explain the situation, without critique from the manager or repercussions,

*"Already by just listening, by letting [the employee] say how it is, without [the manager] saying 'remember, you are just the employee, I am your boss, so be careful with what you say'. I really appreciate that. So that helped"*

### 3.2.3.6 Provide adequate explanations

Both managers and employees stressed the importance of adequate explanations in the context of perceived breaches. More specifically, managers should not 'make up poor excuses' but explain, using credible arguments, why the breach occurred. An employee explains,

*"(S)he [immediate manager] should have explained it better at the time. Then (s)he made up poor excuses to keep me quiet. S(h)e should have told the truth, how it really was"*

In addition to giving a sincere explanation after a breach occurred, some interviewees, similar to Petersitzke (2009) and Rousseau (1995), emphasized the importance of providing early information about pending breaches. One manager explained,

*"These are the things that are happening, or these are the things that are going to change next year (...) and at that moment, it doesn't even have to specifically involve them [direct employees], but it does help if for example three months later, the issue we discussed affects them (...) then it doesn't come as a complete surprise to them [employees], then they have an idea of okay, this is going on, and that is the reason for it"*

### 3.2.3.7 Confer

The managerial practice 'confer' had not been identified a priori, but emerged through analysis of the data. This behavior entails that managers provide employees with the opportunity to discuss the perceived breach, evaluate what could have been done differently, and discuss which steps, if any, can be taken by the employee (or the manager) to redress the breach. For example, an employee indicated the importance of being able to express one's feelings about the breach of obligations to his/her manager, and discussing possible course of action,

*"And then you discuss [with immediate manager] what we could have done differently or what we can still change now"*

Moreover, a manager explained that it is important to openly discuss the breach of obligations, and also indicate to the employee that there are formal steps (s)he can take, such as filing an official complaint,

*"And then I will also ask the employee, what exactly do you mean, or who are you referring to? Or what do you expect from me or what can I still do for you? Because I am the point of contact, or we can contact HR, and you also have the opportunity to file a complaint, these are all steps you can take. That is within your own sphere of influence, and that is what we have within our reach to do something for you"*

### 3.2.3.8 Address employee concerns

Managers who address employee concerns make sure that an employee's dissatisfaction with an occurrence of PCB is voiced to key organizational members. Although managers may not be able to reverse organizational decisions that precipitated the breach, their willingness to address employee concerns can minimize the negative effects of PCB. One employee explains,

*"And when you notice that after such a conversation (s)he [immediate manager] has actively investigated the issue, and that (s)he went to his/her manager, then I get a good feeling. For me that was really an attenuating factor"*

Moreover, a manager indicates how (s)he voiced an employee's concern about a PCB regarding rewards (more specifically, organizational benefits),

*"I want to communicate this message in a management team meeting in reference to employee satisfaction, employee engagement and topics that are important to employees"*

### **3.2.3.9 Navigate organizational playing field**

Similar to the previous behavior, managers who navigate the organizational playing field also address employee concerns, however managers who employ this behavior go a step further and actively pursue key organizational players to make important changes or take on the employee in challenging and high profile projects. Thus, addressing employee concerns is really about venting to higher management and other key players, while this behavior goes beyond only addressing it. It is a more active behavior. One manager explains that in response to an employee who experienced a breach related to a promotion (i.e., career development breach), the manager made sure that the employee would be able to work in an environment in which (s)he could actually show those skills and thereby increase the employee's chance of receiving the promotion in the near future. Thus, (s)he stimulated other players in the organization to cooperate with this employee and take him/her on in a specific project,

*"But on the other hand, also making sure that (s)he could do that work. So that was like, now you are going to work on this project – so we steered him toward (...), a new project so to say, and said now you are going to work here, then you will quickly come into contact with (..) and they are on c-level, and there you will be able to present yourself/increase your visibility"*

Another manager explained that (s)he addressed a breach related to the changing nature of an employee's job by talking to other parties within the organization and establishing cooperation between different parties who had to work together, to make sure the employee was able to perform his/her job adequately,

*"I am willing to support you [the employee] in a number of areas by officially communicating it in a steering committee (...) I can also make sure that I talk to the managers of the other teams involved"*

### **3.2.4 Discussion**

Based on the interviews with employees and managers, nine supportive managerial practices that are considered helpful for employees who have experienced PCB were identified. In order to make sense of these nine managerial behaviors, we grouped

these behaviors according to the ability, motivation, and opportunity (AMO) model.

In the field of human resource management, the AMO model is a well-established framework for conceptualizing human resource (HR) practices that positively influence employee performance and discretionary effort (Boselie, 2010; Jiang, Lepak, Hu, & Baer, 2012). According to this model, employee performance and discretionary behavior is a function of an employee's ability, motivation and opportunity (e.g., Appelbaum, Bailey, Berg, & Kallenberg, 2000; Boselie, 2010). Scholars who have drawn upon the AMO model to conceptualize HR practices distinguish between *ability* (or skill), *motivation* and *opportunity* (or empowerment) enhancing practices (e.g., Boselie, 2010; Gardner, Wright, & Moynihan, 2011; Lepak, Liao, Chung, & Harden, 2006). Ability-enhancing practices are characterized by "perceived opportunities for skills training, general training, personal development, coaching, and task variety" (Boselie, 2010, p. 49). Motivation-enhancing practices center around providing incentives, such as a high salary and fair pay (Boselie, 2010). Opportunity-enhancing practices are used to empower employees (Jiang et al., 2012), examples include employee influence and involvement, the 'opportunity to be heard when problems occur' (Boselie, 2010, p. 45), and information sharing (Jiang et al., 2012).

Jiang et al. (2012) explain that by receiving ability, motivation, and opportunity-enhancing HR practices, employees generally feel valued and supported. Based on social-exchange theory and the reciprocity rule, these scholars explain that employees are likely to repay in kind by working harder. Applying this line of reasoning to situations of PCB, it is suggested that managers can use ability, motivation, and opportunity-enhancing practices to signify to employees who have experienced PCB that they are still valued. These managerial practices show that managers are willing to help employees cope with the loss of valued inducements. In return, it is likely that employees will reciprocate by reducing their negative responses to PCB.

The nine behaviors identified in the present study, can be meaningfully grouped according to the AMO model. That is, coaching and providing training opportunities are considered ability-enhancing practices. Compensation and delivering on breached obligations are considered motivation-enhancing practices. Listening emphatically, providing adequate explanations, conferring, addressing employee concerns and navigating the organizational playing field are considered opportunity-enhancing practices.



In addition to grouping the supportive managerial practices according to the AMO framework, it is important to discuss the relationship among these managerial behaviors. Although establishing the relationship between the supportive managerial behaviors was not an aim of this study, the data provides some preliminary ideas regarding their relationship.

In order to describe the relationships among the managerial practices identified, we draw on existing literature regarding the relationships among HR practices (e.g. Delery, 1998; Lepak et al., 2006). Delery (1998) explains that HR practices may have additive or interactive relationships. When HR practices have an additive relationship, this entails that “they have independent non-overlapping effects on outcomes” (p.293). When HR practices have an interactive relationship, the influence of one HR practice depends on the other HR practices that are employed (Lepak et al., 2006). Scholars distinguish between two types of interactive effects; some HR practices act as substitutes, whereas others are synergistic (Delery, 1998). Lepak et al. (2006) explain that when HR practices are substitutes, the use of one or the other should result in the desired effect. Yet, when HR practices are synergistic this entails that both practices should be used to obtain the desired effect. Thus, both practices will result in considerably larger effects than the sum of the individual effects (Delery, 1998).

The preliminary conclusion regarding the relationship among managerial practices for redressing PCB - which is mainly tentative and should be further explored - is that opportunity-enhancing practices are likely to mitigate the negative effects of most breaches, whereas the use of ability and motivation-enhancing practices are likely synergistic. Based on the interview excerpts, it was concluded that opportunity-enhancing practices were used with all types of breaches. Consequently, we suggest that by employing opportunity-enhancing practices, it is likely that the negative effects of different types of breach are mitigated. Yet, we also expect a synergistic effect for specific types of breaches. That is, often one or more of the opportunity-enhancing practices were used in conjunction with ability or motivation-enhancing practices.

Since ability-enhancing practices were mainly used in response to breaches of job content and career development obligations, we suggest that for these types of breach, there is a joint moderating role for ability and opportunity-enhancing practices in reducing the negative effects of PCB. Since motivation-enhancing practices were mostly used with breaches of reward obligations (particularly based on the employee accounts), we claim that motivation and opportunity-enhancing practices interact to reduce the negative effects of this type of breach.

#### 3.2.4.1 Limitations

Previous studies that examined the role of manager support in the context of breaches of organization obligations focused on broad concepts such as LMX and supervisor support, which do not specify the types of behaviors managers use to help their direct reports cope with experiences of PCB. The qualitative approach employed in this study enabled us to identify specific behaviors and practices managers can use to reduce the negative effects of breach. Particularly, the ability to triangulate the findings between two appropriate data sources – employees and managers – has strengthened the credibility of our model. Moreover, by integrating the findings with an existing framework, we were able to develop a model of supportive managerial behaviors consisting of ability, motivation, and opportunity-enhancing practices. Despite the practical appeal of the specificity of our model - a focus on concrete behaviors is very useful for management development and leadership training programs - this study also has important limitations.

The total number of interviews as well as the number of interviews within each group was quite small. Nevertheless, in accordance with Kuzel (1992, as cited in Guest, Bunce, & Johnson, 2006), who recommends that researchers conduct six to eight interviews within homogenous samples, we carried out eight and nine interviews with managers and employees respectively. In reference to the total sample, Guest et al. (2006) have shown that six interviews are sufficient for devising general themes, whereas twelve interviews are adequate for developing more ‘fine-grained themes’ (p. 78). A similar process occurred in our data analysis. The initial template was developed after preliminary coding of six interviews, whereas more detailed categories, for example distinguishing between providing training opportunities and coaching, and distinguishing between ‘address employee concerns’ and ‘navigate organizational playing field’ occurred after analyzing all interviews. Moreover, considering that our aim was to develop a model that is relevant across many work situations, it was not desired to identify highly detailed behaviors that were not widely applicable.

Studies assessing managerial behaviors and practices are subject to ‘presentational data’ (Dasborough, 2006, p. 176). More specifically, when asked about their immediate managers, employees may be prone to the social desirability bias. In order to overcome this bias, employees were asked to give accounts of managerial behavior in the context of PCB at their current as well as previous employers. On a related note, managers may have been tempted to boost their own image through the use of impression

management tactics (Dasborough, 2006). By collecting data from both employees and managers we attempted to overcome this limitation. Moreover, although the CIT is a valuable method for collecting data in the context of PCB (Conway & Briner, 2005), the recollection of important events is prone to “the various limitations of memory” (p. 96).

Based on the results of our study, we suggested that the role of the managerial practices is partly synergistic. We expect opportunity-enhancing practices to reduce the negative effects of most breaches, while we expect opportunity and ability-enhancing practices to jointly mitigate the negative effects of job content and career development breach. Moreover, we expect that opportunity and motivation-enhancing practices jointly reduce the negative effects of breaches of reward obligations. However, in order to determine the true nature of the effects of ability, motivation and opportunity-enhancing practices in the context of different types of breach, it is essential to conduct a quantitative follow-up study that examines the moderating and joint moderating role of these practices. This study is discussed in the next section.

### **3.3 Study 2: The moderating role of ability, motivation and opportunity enhancing manager practices**

The results of the qualitative study showed that managers can use three types of supportive behaviors and practices in the context of PCB, namely ability, motivation, and opportunity-enhancing practices. Scholars have previously indicated that managers can influence the attitudes and behaviors of their direct reports by impacting their ability, motivation, and opportunity to perform (McDermott, Conway, Rousseau, & Flood, 2013). However, to the best of our knowledge, we are the first to conceptualize concrete managerial behaviors according to the AMO model in the context of PCB. Since there is not any research available on manager ability, motivation, and opportunity-enhancing practices, we draw from the HR literature and the results of our qualitative study to formulate hypotheses.

Several scholars have examined the effect of ability, motivation, and opportunity-enhancing HR practices on a variety of employee outcomes (e.g., Boselie, 2010; Jiang et al., 2012). In these studies, ability, motivation, and opportunity-enhancing practices were conceptualized as three distinct, but related constructs. Boselie (2012) found

support for a three-factor structure using exploratory factor analysis. Moreover, in a meta-analytic study, Jiang et al. (2012) found significant corrected meta-analytic correlations between the AMO practices which ranged from .44 to .47. Inter-correlations based on single studies showed largely similar results, with Gardner et al. (2011) reporting significant correlations among the AMO practices ranging from .23 to .38. Boselie (2010) found significant inter-correlations among opportunity and motivation-enhancing practices ( $r = .18$ ) and opportunity and ability-enhancing practices ( $r = .34$ ), yet there was no significant inter-correlation among ability and motivation-enhancing practices ( $r = -.03$ ). Nevertheless, taken together the results from existing primary studies and a meta-analysis seem to support the contention that the AMO practices are separate, yet related constructs. Based on these findings, it is suggested that ability, motivation, and opportunity-enhancing manager practices are related, yet distinct constructs. Therefore, the first hypothesis is:

*H1: Ability, motivation, and opportunity-enhancing manager practices are factorially distinct.*

Studies assessing the effect of ability, motivation and opportunity-enhancing HR practices found support for differential effects, showing that some practices are more important for certain outcome variables than the others. For example, Boselie (2010) found that while ability-enhancing HR practices were positively related to affective commitment, only opportunity-enhancing practices were positively related to organizational citizenship behavior. Furthermore, Jiang et al. (2012) found that ability-enhancing practices had the most profound effect on human capital, whereas motivation and opportunity-enhancing practices had a stronger effect on employee motivation than ability-enhancing HR practices. The results of our qualitative study seem to be at least partly in line with these findings. Although the results of our study seem to suggest that opportunity-enhancing manager practices are helpful in the context of all types of breach, the findings seem to point to differential effects for the other two practices. More specifically, ability-enhancing practices were considered effective in supporting employees who experienced career development and job content breach, whereas motivation-enhancing practices were indicated to be especially helpful in situations in which employees perceived breaches of reward obligations. Based on these findings, we formulated hypotheses that take into account differential effects of ability and motivation-enhancing practices. Moreover, based on the findings from our qualitative study, we expected that opportunity and ability-enhancing practices would jointly mitigate the negative effects of career development

and job content breach. Moreover, we expected that opportunity and motivation-enhancing practices would jointly attenuate the negative effects of rewards breach.

Prior to presenting the hypotheses, it is important to briefly discuss the outcome variables included in this study and the rationale for focusing on these specific outcomes.

We include three outcome variables in this study, psychological contract violation (PCV), turnover intentions, and affective organizational commitment. The first two outcomes (PCV and turnover intentions) were included because previous research showed inconsistent results regarding the mitigating role of manager support. More specifically, Dulac et al. (2008) found that LMX attenuated the positive relationship between breach and PCV, while Suazo (2011) found that LMX intensified the positive relationship between PCB and PCV across two samples. Moreover, while Stoner et al. (2011) found that supervisor loyalty (a dimension of LMX) weakened the positive relationship between PCB and turnover intentions, Lu et al. (2015) did not find a significant moderating effect of LMX. Since we suggest that a focus on concrete manager behaviors and specific dimensions of PCB can help resolve discrepancies found across previous studies, it is important to include outcome variables for which inconsistent effects have been found in previous studies.

Various studies have shown that PCB negatively influences affective commitment to the organization (e.g., Zhao et al., 2007). However, to the best of our knowledge, no study has thus far examined whether a manager can reduce the negative effects of PCB on affective commitment. Therefore, we included this variable in our study.

Since the results of our qualitative study indicated that opportunity-enhancing practices were considered supportive in the context of different types of breach, we formulated the following hypothesis:

*H2: Opportunity-enhancing practices moderate the relationship between different types of PCB (job content, career development, social atmosphere, organizational policies, work-life balance and rewards) and a) PCV, b) turnover intentions, and c) commitment, such that the positive relationship between PCB and PCV, and PCB and turnover intentions, and the negative relationship between PCB and commitment, is stronger when opportunity-enhancing practices are low.*

Next, since the results of our qualitative study showed that ability-enhancing practices are particularly helpful in the context of job content and career development breach, and since these behaviors were also used in conjunction with opportunity-enhancing practices, the following hypothesis was devised:

*H3: Ability-enhancing practices interact with opportunity-enhancing practices to influence the relationship between specific types of PCB (job content and career development PCB) and a) PCV, b) turnover intentions, and c) commitment, such that the positive relationship between PCB and PCV, PCB and turnover intentions, and the negative relationship between PCB and commitment is stronger when both opportunity-enhancing and ability-enhancing practices are low.*

Finally, since motivation-enhancing practices were considered especially helpful in the context of rewards breach and were also used in conjunction with opportunity-enhancing practices, we formulated the following hypothesis:

*H4: Motivation-enhancing practices interact with opportunity enhancing practices to influence the relationship between rewards PCB and a) PCV, b) turnover intentions, and c) commitment, such that the positive relationship between PCB and PCV, and PCB and turnover intentions, and the negative relationship between PCB and commitment is stronger when both opportunity-enhancing and motivation-enhancing practices are low.*

### **3.3.1 Method**

#### **3.3.1.1 Procedure and sample**

The data for this study was collected from employees working within different organizations in the Netherlands to ensure variation in psychological contracts (Bal, Jansen, Van der Velde, De Lange, & Rousseau, 2010) and supportive managerial practices. The data was collected via an online questionnaire that was distributed by means of convenience and snowball sampling. The questionnaire was part of a larger project for which a considerable number of variables were collected. Two hundred and thirty-four respondents completely filled in the questionnaire. Two respondents were self-employed. Since the focus of this study was on managerial practices, an important inclusion criterion was that employees had a specific manager to whom they reported. As self-employed individuals do not fit this criterion, both respondents were excluded. The final sample consisted of two hundred and thirty-two employees. The majority of the sample (61.6%) was female. The average age was 37.68 years, ranging from 17 to

63 years. Sixty-three percent had completed a university of applied sciences education or more. Respondents were employed by a variety of organizations, including supermarket chains, healthcare institutions, hotels, education institutions, museums, financial institutions, and multinational corporations. Fifty-four percent of respondents had worked for their organization for 6 years or more.

### **3.3.1.2 Measures**

#### ***Psychological contract breach***

The items used to measure different types of psychological contract breach (career development, job content, social atmosphere, organizational policies, rewards, work-life balance) were based on a revised version of the measured developed by Freese, Schalk, and Croon (2008). The revised version has been used in several studies, including Lub, Bal, Blomme, and Schalk (2016) and Van den Heuvel, Schalk, and Van Assen (2015). For each type of breach, respondents were asked to indicate to what extent their organization had fulfilled its obligations. To ensure that respondents understood which obligations belonged to a particular type of breach, for each type of breach, respondents were presented with at least three corresponding obligations. For example, to assess psychological contract breach related to career development, the following question was presented to respondents, 'To what extent did your organization fulfill its obligations with regard to career development? Think of advancement opportunities, training and courses, and coaching'. Responses could be provided on a five-point Likert scale ranging from 1 (not at all) to 5 (to a great extent). Answers were reverse-scored such that higher scores represented breach. Since one question was used to assess each type of breach, it was not possible to calculate the reliability for each breach scale.

#### ***Psychological contract violation***

The measure of psychological contract violation was based on the six-item scale used in the PSYCONES project (Rigotti et al., 2003). This scale has been used by others as well (e.g., De Cuyper, Rigotti, De Witte, & Mohr, 2008; Rigotti, 2009). Respondents were asked to consider the extent to which their organization had, in general, fulfilled its obligations. Next, respondents were asked to indicate on a scale from 1 (strongly disagree) to 5 (strongly agree) to what extent they agreed with six statements. Three statements were positive, three were negative. Examples include, 'I feel anger', and 'I feel grateful'. Positive items were reworded, such that a higher score represented greater feelings of violation.

### ***Turnover intentions***

Intention to leave the organization was measured with a four-item scale used in the PSYCONES project (Rigotti et al., 2003). This scale has been used in other studies as well, for example, Van der Vaart, Linde, and Cockeran (2013). An example item includes, 'These days, I often feel like quitting'.

### ***Affective commitment***

The six-item measure developed by Meyer, Allen, and Smith (1993) was used to assess affective commitment. An example item includes, 'I really feel as if this organization's problems are my own'. Negatively worded items were recoded such that a higher score represented stronger affective commitment toward the organization.

### ***Ability, motivation, and opportunity-enhancing practices***

Twenty items were used to measure ability (6 items), motivation (4 items), and opportunity-enhancing practices (10 items). The descriptions of the behaviors identified in Study 1 were used to identify suitable items from existing research. When suitable items could not be found in the literature, items were self-developed based on the interviewee accounts. The items, their origin and the main and subcategory to which the items belong is presented in Appendix B, Table B.2.

The internal consistency and validity of the ability, motivation, and opportunity-enhancing practices scales were assessed by examining the item-total and inter-item correlations and performing an exploratory factor analysis (EFA). For each managerial practice, item-total and inter-item correlations were assessed. Hair, Black, Babin, and Anderson (2010) suggest that item-total correlations exceed .50, while inter-item correlations should exceed .30. Two items from the ability-enhancing practices scale were deleted as their item-total correlations were below .50. Next, an EFA using principal axis factoring without rotation was performed. First, the communalities of the unrotated solution were examined. Two items (one motivation, and one ability item) were removed since their communalities were below .40. Next, EFA using principal axis factoring with oblique rotation was performed on the remaining 16 items. Results of the initial analysis pointed to a four-factor solution. The first factor clearly represented the opportunity-enhancing practices scale and contained 7 items. The second factor represented the motivation-enhancing practices scale and consisted of the three retained motivation items. The third factor consisted of two opportunity-enhancing practices. The fourth factor represented the ability-enhancing practices scale and consisted of the three remaining ability items. One opportunity item did not



load significantly on any factor. Based on these results, three opportunity-enhancing practices items (two that loaded on a separate factor, and one that did not load significantly) were removed. Results of the EFA without these items showed a three-factor solution. Yet, one item from the opportunity-enhancing practices scale had a factor loading below .50. The item was removed. The results of the final EFA provided support for the three-factor structure. The KMO was .874, all items had communalities above .40, and the total variance explained was 60.61%. The first factor, opportunity-enhancing practices, consisted of six items and explained 45.15% of the variance. The second factor, motivation-enhancing practices, contained three items, and explained an additional 9.39% of the variance. The third factor, ability-enhancing practices, contained three items and explained an additional 6.08% of the variance. The results of the final EFA are depicted in Table 3.2.

**Table 3.2**

*Results exploratory factor analysis ability, motivation, and opportunity-enhancing managerial practices*

Item	Ability	Motivation	Opportunity
My manager teaches me specific job-related or technical skills	.51		
My manager gives me support and feedback regarding my performance	.83		
My manager helps me to analyze my performance	.91		
My manager is willing to accommodate my needs when a loss of promised organizational inducements negatively affects my work situation		.69	
My manager encourages higher management to fulfill broken promises, albeit at a later time		.66	
My manager goes out of his/her way to ensure that unfulfilled obligations are still fulfilled		.97	
My manager communicates details about organizational procedures that affect me in a timely manner			.54
My manager is honest in his/her communications to me about organizational procedures that affect me			.69
My manager listens to me and understands any real concerns I might have			.65
My manager treats me with kindness and respect			.80
My manager provides the opportunity to express my views and feelings during organizational procedures that affect me			.75
My manager takes action on things brought up by me			.50
Explained variance	6.08%	9.39%	45.14%

N = 232.

### **Control variables**

Adhering to recommendations regarding the use of control variables (e.g., Becker, 2005; Carlson & Wu, 2012), we only included control variables that, based on previous research, had been linked to the outcomes in this study. Gender (1 = male, 2 = female) and tenure (continuous variable, assessed in number of years) were included as controls. In a meta-analysis, Meyer, Stanley, Herscovitch, and Topolnytsky (2002) found that both gender and tenure were significantly correlated with Meyer et al.'s (1993) six-item measure of affective commitment. Brunetto, Teo, Shacklock, and Farr-Wharton (2012) found that gender was significantly associated with affective commitment and turnover intentions, while Chang, Wang, and Huang (2013) found significant correlations between gender, tenure and turnover intentions. Finally, Braekken (2012) found that PCV was significantly correlated with both gender and tenure.

#### **3.3.1.3 Common method bias**

The data for this study was collected at one point in time from a single source. Consequently, common method variance (CMV) may have affected the results (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). According to Conway and Lance (2010) concerns about CMV can be addressed by establishing construct validity of the measurement scales. Therefore, a confirmatory factor analysis (CFA) among the multi-item scales was performed. The fit of the model was assessed, as well as the standardized factor loadings ( $< .50$ , Hair et al., 2010) and the average variance extracted (AVE) for each construct (AVE should be at least  $.50$ , Hair et al., 2010). To demonstrate discriminant validity, the AVE of each construct was compared to the shared variance with the other constructs. When the AVE of the constructs are higher than their shared variance with the other constructs, there is evidence of discriminant validity (e.g., Farrell, 2010; Hair et al., 2010). The influence of CMV was also examined through Harman's single factor test. That is, a CFA was performed in which all items were loaded on a single factor.

The results of the CFA with the six latent variables and 28 items (the single-item breach scales were not included) showed a mediocre fit with the data,  $\chi^2 (335, n = 232) = 781.223, p < .001, \chi^2/df = 2.332, CFI = .88, IFI = .88, SRMR = .0660$ . Furthermore, the AVE of the commitment scale was below  $.50$ . Two commitment items were deleted. Moreover, one turnover item was removed because it cross loaded on the commitment scale. The results of the CFA with six latent variables and 25 items showed a good fit with the data,  $\chi^2 (260, n = 232) = 517.259, p < .001, \chi^2/df = 1.989, CFI = .92, IFI = .93,$

SRMR= .0591. Additionally, all standardized factor loadings were above .50, and the AVE of each construct was at least .50. Moreover, the AVEs of each construct were larger than their shared variance with the other constructs, demonstrating sufficient discriminant validity. The results of Harman's single factor test (1 factor, 25 items), showed that a 1-factor model had a poor fit with the data,  $\chi^2(275, n = 232) = 1629.191$ ,  $p < .001$ ,  $\chi^2/df = 5.924$ ,  $CFI = .60$ ,  $IFI = .60$ ,  $SRMR = .1058$ . Combined, the results of these analyses showed that CMV was not a major concern in this study.

#### **3.3.1.4 Analysis strategy**

To test Hypothesis 1 (i.e., the discriminant validity of ability, motivation, and opportunity-enhancing practices), a number of CFAs were performed. Although an EFA was performed to examine the internal consistency and validity of the managerial practices scales (see section 3.3.1.2), CFA provides a better assessment of discriminant validity. Others have also conducted a CFA in addition to an EFA for the specific reason of evaluating discriminant validity of constructs (e.g., Knoll & Van Dick, 2013). The remaining hypotheses (i.e., the moderation hypotheses) were examined through hierarchical multiple regression analyses. For all hypotheses, the control variables were entered in the first step. To test hypothesis 2, the six predictors (i.e., six types of breach) and the interaction terms (each type of breach multiplied by opportunity-enhancing practices) were entered in the second step. To test hypothesis 3, in the second step, the two predictors (job content and career development breach), the two moderators (ability-enhancing practices and opportunity-enhancing practices) and the five two-way interaction terms between job content breach and both types of managerial practices and career development breach and both types of managerial practices, and the interaction between opportunity and ability-enhancing practices were entered. In the third step, the three-way interaction terms, job content breach x opportunity-enhancing practices x ability-enhancing practices, and career development breach x opportunity-enhancing practices x ability-enhancing practices, were entered. To test hypothesis 4, in the second step, the predictor (rewards breach), the two moderators (motivation-enhancing practices, opportunity-enhancing practices), and the three two-way interaction terms (rewards breach x motivation-enhancing practices, rewards breach x opportunity-enhancing practices, and motivation-enhancing practices x opportunity-enhancing practices), were entered. In the third step, the three-way interaction between rewards breach, opportunity-enhancing practices and motivation-enhancing practices was entered. Following Aiken and West (1991) the predictor and moderator variables were centered prior to

creating the interaction terms. As suggested by Dawson (2014), the control variables were also centered.

### 3.3.2 Results

The results of the CFA with the three managerial practices scales showed that a three-factor model had a good fit with the data,  $\chi^2(51, n = 232) = 157.249, p < .001, \chi^2/df = 3.083, CFI = .93, IFI = .93, SRMR = .0613$ .

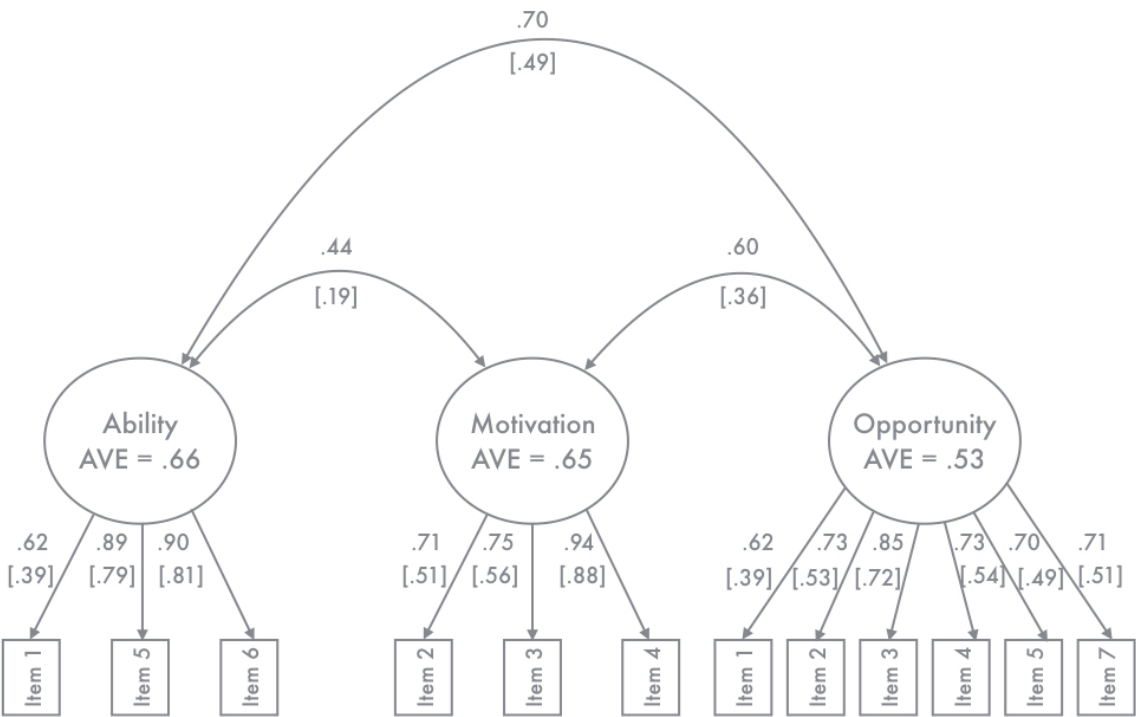


Figure 3.1. Discriminant validity of the three supportive managerial practices

Note. Standardized factor loadings and correlations are depicted. Values in [brackets] represent squared standardized factor loadings and correlations (i.e., shared variance among latent constructs).

**Table 3.3**

*Means, standard deviations, reliability coefficients and correlations among study variables*

	M.	SD	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.
1. Gender	1.62	.49														
2. Tenure	10.57	11.44	-.17**													
3. JC breach	2.37	.79	.14*	.02												
4. Dev. breach	2.71	.96	-.03	.07	.44**											
5. Soc. atm. breach	2.36	.82	.02	.22**	.40**	.37**										
6. Org. pol. breach	2.73	.85	.009	.25**	.43**	.42**	.47**									
7. Work-life breach	2.33	.89	-.09	.16*	.32**	.26**	.39**	.38**								
8. Rewards breach	2.84	.92	.11	.24**	.34**	.45**	.36**	.37**	.22**							
9. PCV	2.15	.76	.06	.16*	.40**	.38**	.49**	.57**	.31**	.38**	(.88)					
10. Turnover int.	1.97	1.00	.11	-.07	.40**	.20**	.31**	.33**	.16*	.25**	.54**	(.90)				
11. Aff. Commitment	3.42	.75	-.17**	.24**	-.36**	-.24**	-.33**	-.28**	-.11	-.23**	-.51**	-.58**	(.76)			
12. Ability	3.46	.85	-.04	-.16*	-.29**	-.35**	-.34**	-.47**	-.11	-.18**	-.44**	-.29**	.32**	(.83)		
13. Motivation	3.08	.71	-.07	-.08	-.36**	-.34**	-.34**	-.41**	-.26**	-.33**	-.56**	-.37**	.40**	.42**	(.83)	
14. Opportunity	3.68	.63	-.18**	-.06	-.38**	-.35**	-.46**	-.53**	-.33**	-.25**	-.56**	-.39**	.40**	.62**	.53**	(.87)

N = 232. Cronbach's alphas are reported on the diagonal in parentheses. Gender: 1 = male, 2 = female. JC = job content, Dev = development, Soc. atm. = social atmosphere, Org. pol. = organizational policies, Aff. = affective. \* p < .05, \*\* p < .01.

This model was compared to a one-factor model. The one-factor model had a poor fit with the data,  $\chi^2(54, n = 232) = 467.720, p < .001, \chi^2/df = 8.661, CFI = .72, IFI = .73, SRMR = .0974$ . These results provide initial support for the discriminant validity of the three managerial practices scales. To further examine the factorial distinctiveness of these scales, the AVEs of the constructs were compared to the scales' shared variances with the other constructs. These results are depicted in Figure 3.1. Based on this illustration, it can be concluded that the AVEs of the three managerial practices are larger than the shared variances with the other scales. Hence, the three managerial practices are distinct from one another. These results provide further support for hypothesis 1.

The means, standard deviations, reliability coefficients and correlations among the study variables are depicted in Table 3.3. Tables 3.4, 3.5, and 3.6 depict the results of the moderation analyses used to test hypotheses 2, 3 and 4. According to hypothesis 2, opportunity-enhancing practices would moderate the relationship between six different types of breach and a) PCV, b) turnover intentions, and c) affective commitment. This hypothesis was partly supported (see Table 3.4). Opportunity-enhancing practices mitigated the relationship between organizational policies breach and PCV ( $B = -.19, p < .05$ ). Additionally, there was a marginally significant moderating effect of opportunity-enhancing practices in the relationship between organizational policies breach and turnover intentions ( $B = -.19, p = .09$ ). To interpret the nature of the interaction effect, the interaction term was plotted in Figure 3.2. Since both effects were in the same direction (and both figures were similar), only the moderating effect of opportunity-enhancing practices on the relationship between organizational policies breach and PCV is depicted. A more detailed analysis of different values of the moderator (Dawson, 2014), showed that there was a particularly strong positive relationship between organizational policies breach and PCV (gradient = .72,  $p < .05$ ) when employees scored their managers low (i.e., a score of 1 on a five-point Likert scale), yet when employees perceived their managers to score average (a score of 3.00), the relationship between these variables was weaker (gradient = .34,  $p < .05$ ). At higher levels of opportunity-enhancing practices (a score of 4.08 and up), there was no longer a significant relationship between organizational policies breach and PCV (gradient = .14,  $p = .05$ ). The direction of the moderating effect is thus in line with hypothesis 1. That is, the positive relationship between organizational policies breach and PCV is stronger when opportunity-enhancing practices are low.

Table 3.4

*Moderating role of opportunity-enhancing practices*

	<u>Psychological Contract Violation</u>					<u>Turnover Intentions</u>					<u>Affective Commitment</u>				
	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β
<u>Step 1</u>	.03		3.85*			.01		1.64			.07		8.96***		
Gender				.13	.09				.20	.10				-.20*	-.13*
Tenure				.01**	.18**				-.01	-.06				.01**	.21**
<u>Step 2</u>	.49	.46***	13.79***			.29	.28***	5.89***			.34	.27***	7.47***		
Gender				-.05	-.03				-.06	-.03				-.02	-.01
Tenure				.001	.02				-.01*	-.14*				.02***	.32***
Job content breach				.08	.08				.37***	.29***				-.17*	-.18*
Career dev. breach				.03	.04				-.11	-.11				.03	.04
Soc. atmos. breach				.15*	.16*				.15†	.13†				-.18**	-.20**
Org. pol. breach				.22***	.24***				.10	.08				-.08	-.09
Worklife breach				-.01	-.01				-.06	-.05				.09	.11
Rewards breach				.10†	.12†				.13	.12				-.11*	-.14*
Opp. enhancing (O)				-.28**	-.23**				-.34**	-.21**				.29**	.24**
JC breach X O				.02	.02				.22	.14				-.08	-.07
C. dev. breach X O				.02	.02				-.10	-.08				.07	.07
Soc. at. breach X O				-.07	-.06				.03	.02				-.04	-.03
Or. pol. breach X O				-.19*	-.19*				-.19†	-.15†				-.04	-.04
WL breach X O				.07	.06				.19	.13				.06	.05
Rew. breach X O				.01	.01				-.01	-.003				-.12	-.09

N ranges from 231 – 232. †p &lt; .10, \*p &lt; .05, \*\*p &lt; .01, \*\*\*p &lt; .001 (two-tailed).

Table 3.5

*Moderating role of ability and opportunity-enhancing practices*

	Psychological Contract Violation					Turnover Intentions					Affective Commitment				
	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β
<u>Step 3</u>	.41	.01	11.52***			.29	.02*	6.69***			.32	.007	7.77***		
Gender				-.05	-.03				-.04	-.02				-.06	-.04
Tenure				.01*	.11*				-.01	-.10				.02***	.27***
Job content breach (JC)				.19**	.19**				.54***	.43***				-.27***	-.29***
Career Dev. breach (Dev)				.08	.10				-.10	-.09				-.003	-.004
Ability-enhancing (Ab)				-.05	-.05				-.13	-.11				.12†	.14†
Opportunity-enhancing (O)				-.43**	-.35**				-.39**	-.24**				.24*	.21*
JC X Ab				.03	.03				-.03	-.03				-.02	-.02
Dev X Ab				.03	.04				.17†	.17†				-.11†	-.15†
JC X O				.01	.01				.11	.07				-.08	-.07
Dev X O				.02	.02				-.21	-.16				.08	.07
Ab X O				.14†	.14†				.19†	.15†				-.12	-.13
JC X Ab X O				-.04	-.05				-.33*	-.37*				.12	.19
Dev X Ab X O				.08	.13				.14	.18				-.10	-.18

N ranges from 231 – 232. †p < .10, \*p < .05, \*\*p < .01, \*\*\*p < .001 (two-tailed).



**Table 3.6**

*The moderating role of motivation and opportunity-enhancing practices*

	<u>Psychological Contract Violation</u>					<u>Turnover Intentions</u>					<u>Affective Commitment</u>				
	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β	R <sup>2</sup>	ΔR <sup>2</sup>	F	B	β
<u>Step 3</u>	.47	.002	21.52***			.24	.008	7.64***			.35	.001	13.33***		
Gender				-.06	-.04				.004	.002				-.06	-.04
Tenure				.01	.07				-.01*	-.13*				.02***	.28***
Reward breach				.14**	.17**				.16*	.15*				-.14**	-.17**
Mot. -enhancing (Mot)				-.29***	-.27***				-.21*	-.15*				.20**	.19**
Opp. enhancing (O)				-.36***	-.29***				-.30*	-.19*				.26**	.22**
Rew. breach X Mot				.02	.02				-.03	-.02				.23**	.20**
Rew. breach X O				-.01	-.01				.12	.07				-.25**	-.20**
Mot X O				.19**	.17**				.21*	.14*				-.10	-.09
Rew. breach X Mot X O				.08	.07				.19	.12				-.04	-.04

N ranges from 231 – 232. †p < .10, \*p < .05, \*\*p < .01, \*\*\*p < .001 (two-tailed).

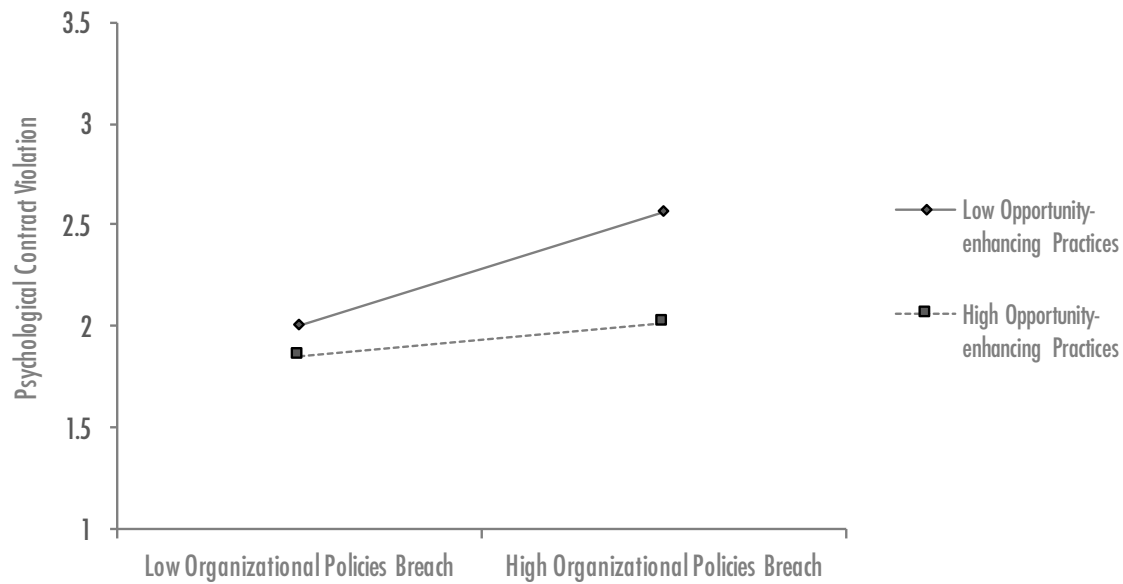


Figure 3.2 The mitigating role of opportunity-enhancing practices

According to hypothesis 2, ability-enhancing practices and opportunity-enhancing practices would jointly moderate the relationships between job content breach and employee outcomes, and between career development breach and employee outcomes. Results of the analyses provided some support for these hypotheses (see Table 3.5). More specifically, the relationship between job content breach and turnover intentions was jointly moderated by ability and opportunity-enhancing practices ( $B = -.33, p < .05$ ). To make sense of this joint moderating effect, the significant three-way interaction term was plotted in Figure 3.3. Based on this graph, it can be concluded that the positive effect of job content breach on turnover intentions is smaller when both ability and opportunity-enhancing practices are high, providing support for hypothesis 2. That is, both types of practices have to be high to reduce the negative effects of job content breach. To illustrate, when ability-enhancing practices are low, but opportunity-enhancing practices are high, the slope of the positive relationship between job content breach and turnover intentions is particularly steep. Hence, opportunity-enhancing practices alone are not sufficient for reducing the positive relationship between job content breach and turnover intentions.

According to hypothesis 3, motivation-enhancing practices and opportunity-enhancing practices would jointly moderate the relationship between rewards breach and a) PCV, b) turnover intentions, and c) affective commitment. The results of the analyses did not support this hypothesis (see Table 3.6). That is, there was no joint

moderating effect of motivation and opportunity-enhancing practices on the relationship between rewards breach and the three employee outcomes. Nevertheless, the analyses point to some interesting findings regarding the separate moderating role of these supportive managerial practices. That is, both motivation-enhancing and opportunity-enhancing practices moderated the relationship between rewards breach and affective commitment. Yet, the coefficient of the interaction effect of rewards breach and motivation-enhancing practices was positive ( $B = .23, p < .05$ ), while the

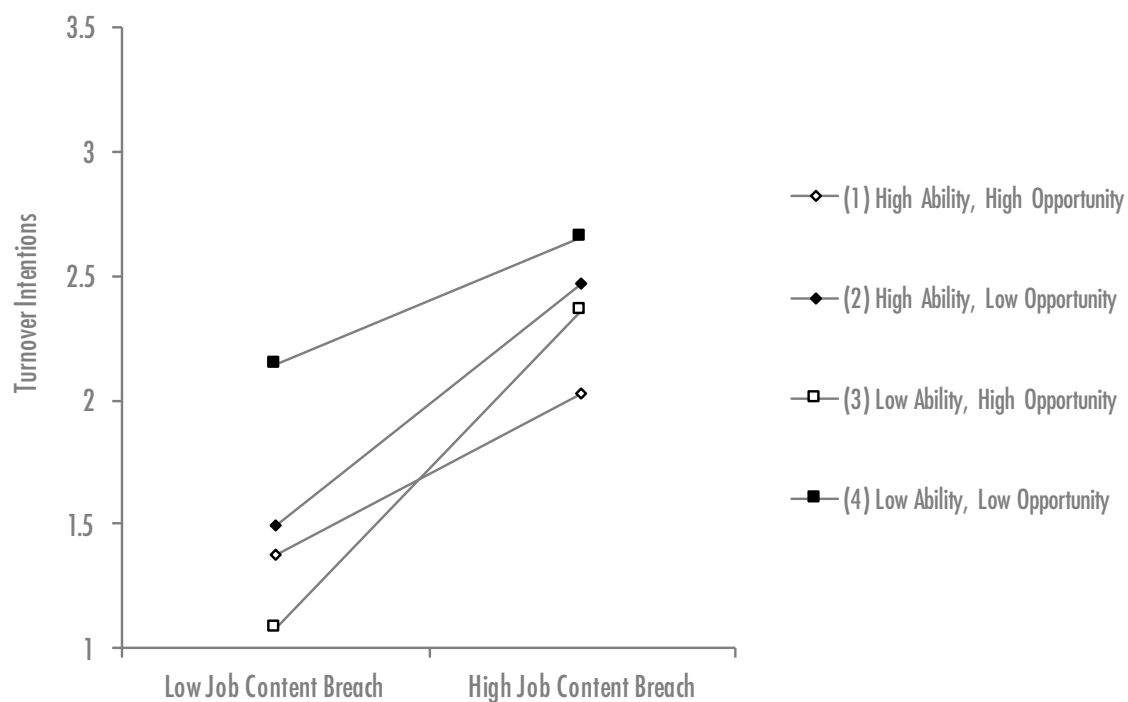


Figure 3.3 The joint moderating role of ability and opportunity-enhancing practices

coefficient of the interaction effect of rewards breach and opportunity-enhancing practices was negative ( $B = -.25, p < .05$ ). In order to make sense of these effects, the interaction terms were plotted in Figure 3.4 for motivation-enhancing practices and in Figure 3.5 for opportunity-enhancing practices. Drawing from Figure 3.4, it can be concluded that motivation-enhancing practices reduce the negative relationship between rewards breach and affective commitment. Detailed analyses showed that when motivation-enhancing practices were low (a value of 1), there was a particularly strong negative relationship between rewards breach and affective commitment (gradient =  $-.61, p < .05$ ). As scores on the motivation-enhancing practices scale became

higher, the negative effect of rewards breach on affective commitment became smaller. For example, the gradient was considerably smaller at average levels (score of 3) of motivation-enhancing practices (gradient =  $-.16$ ,  $p < .05$ ).

The graph in Figure 3.5 paints a different picture for the use of opportunity-enhancing practices. That is, when opportunity-enhancing practices are high, there is a negative relationship between rewards breach and affective commitment. In fact, when opportunity-enhancing practices increase from moderately high to high, the negative relationship becomes stronger. To illustrate, at scores of 4 (on a scale from 1 to 5), the negative relationship between rewards breach and affective commitment is moderate (gradient =  $-.22$ ,  $p < .05$ ), while at scores of 5, the negative relationship between rewards breach and affective commitment is much stronger (gradient =  $-.47$ ,  $p < .05$ ).

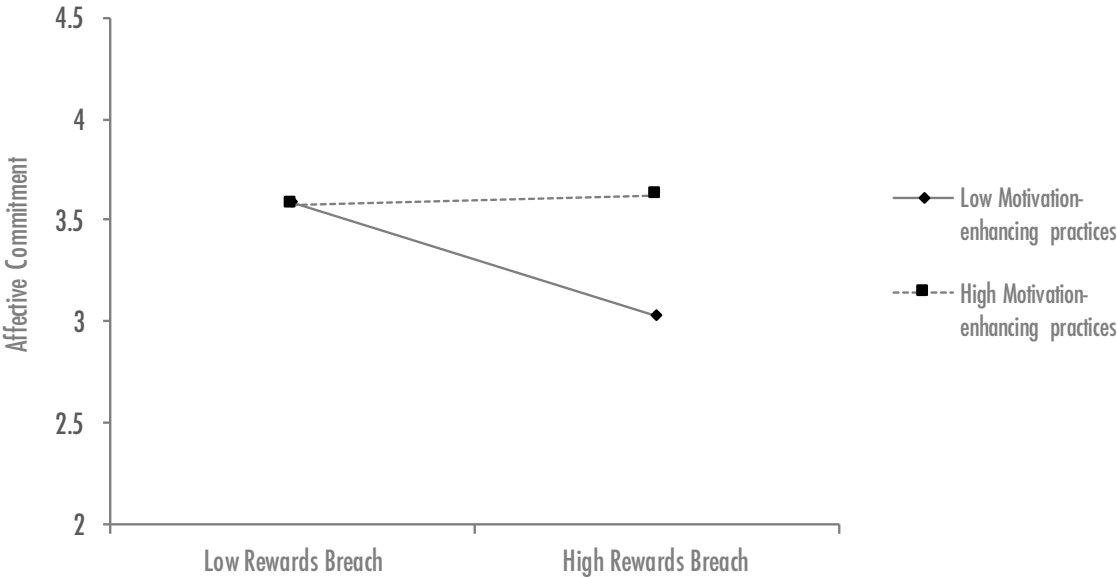


Figure 3.4 The mitigating role of motivation-enhancing practices

### 3.3.3 Discussion

In this second study, we aimed to assess whether ability, motivation, and opportunity-enhancing practices were considered distinct categories of supportive manager behavior. Moreover, we set out to examine to what extent supportive managerial practices reduced the negative effects of organization psychological contract breach. The results of the exploratory and confirmatory factor analyses showed that ability,

motivation, and opportunity-enhancing manager practices are related but distinct constructs.

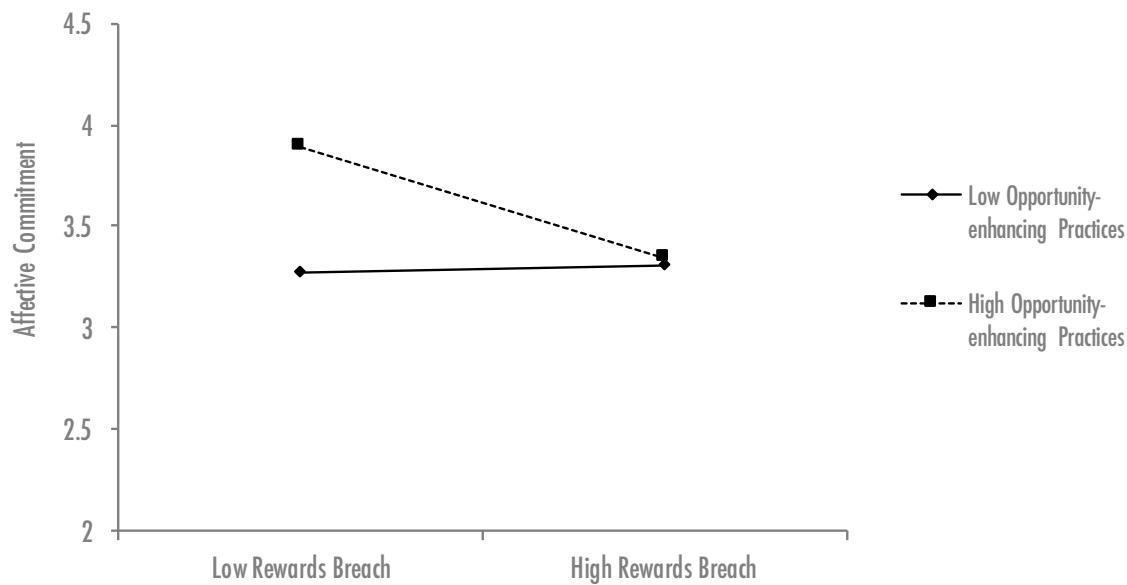


Figure 3.5 The intensifying effect of opportunity-enhancing practices

Furthermore, we found that for certain kinds of breach, supportive managerial practices can reduce the negative consequences of breach. That is, opportunity-enhancing practices mitigated the positive relationship between organizational policies breach and PCV. Relatedly, for the relationship between this type of breach and turnover intentions, a marginally significant mitigating effect of opportunity-enhancing practices was also found. In addition, motivation-enhancing practices mitigated the negative relationship between rewards breach and affective commitment. Furthermore, ability-enhancing and opportunity-enhancing practices jointly mitigated the positive relationship between job content breach and turnover intentions. Hence, several findings provided support for the mitigating effect of supportive managerial practices. Nevertheless, in some instances of breach, the results of this study showed that opportunity-enhancing practices alone could also intensify the negative effects of breach. That is, opportunity-enhancing practices intensified the negative relationship between rewards breach and affective commitment. We discuss the results and implications of our findings in the following sections.

Existing research has shown mixed results regarding the mitigating role of manager support in the context of organization psychological contract breach. The results of our study point to possible reasons for this discrepancy. In previous research, scholars mainly focused on LMX and supervisor support. It is often suggested that supportive managers or managers in high-quality LMX relationships with their employees offer support through providing adequate explanations or by advocating on behalf of employees by voicing their concerns about breach (e.g., Dulac et al., 2008; Restubog et al., 2011; Zagenczyk et al., 2009). The results of the exploratory and confirmatory factor analyses showed that these types of behaviors belong to the main category 'opportunity-enhancing practices'. Similar to other studies, the results of this second study show that opportunity-enhancing practices are not always helpful in the context of breach. For example, these types of behaviors intensify the negative effects of rewards breach on affective commitment. Moreover, when used alone, opportunity-enhancing practices also do not fare well when an employee has experienced a breach of job content obligations. However, since we included specific types of breach as well as additional categories of manager behavior (i.e., ability and motivation-enhancing practices), we are better able to explain these findings. That is, opportunity-enhancing practices are likely helpful for some, but not all types of breach. In some instances, opportunity-enhancing practices must be used together with another category of supportive managerial practices, whereas for other types of breach, it is best to solely employ a different type of managerial behavior.

#### **3.3.3.1 Limitations**

Although this study points to some very interesting findings regarding the role of manager support in the context of organizational psychological contract breach, this study also has its limitations. First, regarding the analyses with the ability, motivation, and opportunity-enhancing scales, we were unable to retain opportunity-enhancing behaviors related to 'navigating the organizational playing field'. Although these behaviors were identified by both managers and employees in the qualitative study, it is important to note that these behaviors were mainly identified by the manager subsample. At least 10% of the employee sample contributed to these categories, yet the vast majority of managers indicated to use these behaviors in the context of breach and explained that they considered these behaviors supportive in the context of breach. That these subcategories were largely drawn from the manager sample might be a reason that these behaviors had to be removed from the analysis. Nevertheless, since the scale needs to be further developed and validated in future research, it is important to retain these items to see how they perform across different samples.

Moreover, it is important to examine the wording of these items, as this might have also contributed to their removal. Another limitation is the relatively small sample size in comparison to the large number of predictor and interaction terms that were included in the analyses. Although we were able to find some significant interaction effects, we may not have had enough power to detect additional significant moderating effects. Hence, this study should be replicated in a larger sample. Since this study was single-source and cross-sectional in nature, CMV might have influenced the outcomes of the study (Podsakoff et al., 2003). However, based on the results of the statistical analyses performed to assess potential CMV effects, we concluded that CMV was not a significant concern in this study. Moreover, in this study, we focused on a limited number of employee outcomes. Therefore, in future research it is important to examine the moderating effect of supportive manager behaviors in the relationship between breach and a wider variety of employee outcomes.

### **3.4 Conclusions & implications**

This paper examined the role of supportive managerial practices in the context of breaches of organizational obligations. Overall, it can be concluded that managers are capable of mitigating the negative effects of psychological contract breach. However, the results of our two studies clearly show that managers should carefully select the types of behaviors they employ in response to a particular kind of psychological contract breach. That is, in certain circumstances, such as when an employee has experienced rewards breach, opportunity-enhancing practices may actually intensify the negative effects of this type of breach. Under these circumstances, motivation-enhancing practices may be particularly helpful. However, since motivation-enhancing practices refer to behaviors such as encouraging higher management to still fulfill its promises or accommodating the employee's needs by compensating for the breach, it might not always be possible for managers to mitigate the negative effects of rewards breach. Therefore, it is very important that managers, and other organizational representatives, take care in what they communicate to employees regarding rewards. Since it is difficult to amend this type of breach by supportive behaviors such as being honest and showing concern, it seems particularly important that managers and other organizational representatives focus on preventing the perceptions of these types of breach. Conway and Briner (2005) emphasize that one way in which perceptions of breach can be prevented is by being careful to not

overpromise and being very careful about how messages about rewards are conveyed to employees.

Although opportunity-enhancing practices are not effective for all types of breach, our results show that these types of behavior are considered particularly helpful in the context of breaches of organizational policies. Since these types of obligations are likely breached during organizational change initiatives (e.g., De Ruiter, Schalk, Schaveling, & van Gelder, *In Press*) and since organizational changes are likely to continue (e.g., Zagenczyk et al., 2009), it is important that managers are aware that these behaviors can be used to mitigate the negative outcomes of these types of breach. Particularly during times of change, managers should be able to identify instances of organizational policies breach and should be able to employ opportunity-enhancing practices to support their employees.

In combination with opportunity-enhancing practices, ability-enhancing practices are helpful for reducing the negative effects of breaches of job content obligations. Considering that these behaviors refer to providing feedback, analyzing performance and coaching employees, it is essential that organizations devote enough time and resources to developing their managers' coaching and performance evaluation skills. In combination with opportunity-enhancing practices, managers can employ these skills to reduce the negative effects associated with job content breach.

To conclude, managers play an important role in reducing the negative effects of organizational psychological contract breach. Nevertheless, managers cannot just employ any type of supportive behavior when one of their direct reports has experienced breach. Instead the manager should carefully consider what type of obligation has been breached, and then select the type of behavior that is most suitable. This study has provided essential insights regarding the types of behaviors that can be particularly helpful for certain types of breach, nevertheless, more systematic research is needed on the moderating role of ability, motivation, and opportunity-enhancing practices in the context of breach.



## Notes

1. We inquired about both helping and hindering critical incidents, yet considering the scope of our study, we only considered the helping critical incidents in this paper.

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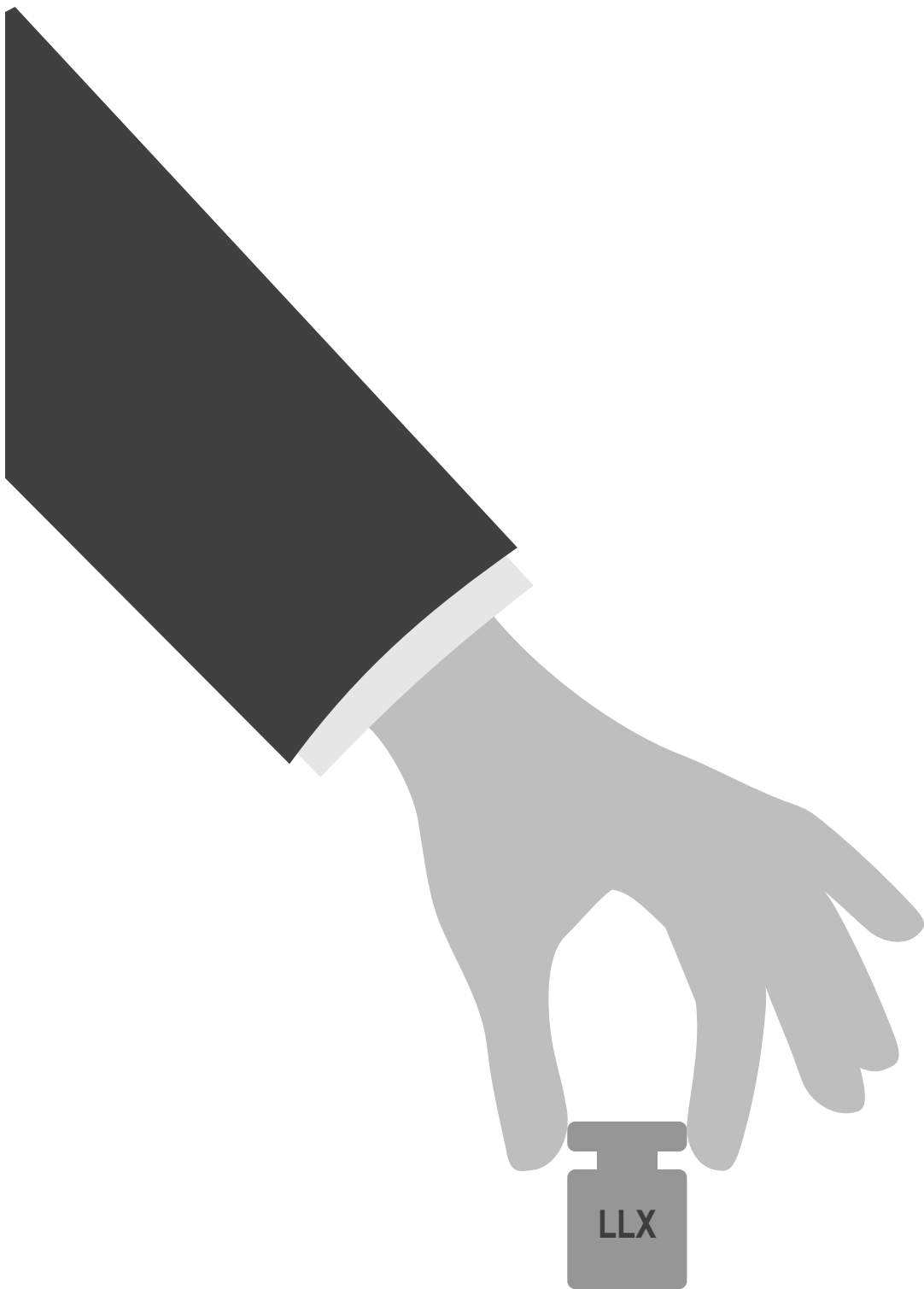
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# Chapter 4

## Manager responses to employee dissent about psychological contract breach: A dyadic process approach

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# Abstract

Communication scholars have made significant headway toward understanding the upward dissent process, conceptualizing different types of upward dissent strategies and investigating the use of these strategies. However, scholars have hardly considered the dyadic process associated with upward dissent strategies and manager responses to these strategies, or how the nature of dissent may influence the dissent process. We describe the dissent process in relation to personal-advantage dissent. We focus on a specific trigger - psychological contract breach (PCB) - because this negative workplace event is regularly experienced among employees and employees are likely to express their dissatisfaction about PCB to their managers. We present a dyadic process model that explains how employee–manager interactions following an employee’s initial dissent about PCB evolve over time.



## 4.1 Introduction

Psychological contract breach (PCB) or the “perception that the organization has failed to fulfill promised obligations” (Bordia, Restubog, Bordia, & Tang, 2010, p. 1579) refers to a situation in which the employee feels wronged or mistreated by the organization (Restubog, Zagenczyk, Bordia, & Tang, 2013). According to De Ruiter, Blomme, Schalk, and Van de Schoot (2013), PCB is an important trigger for employee dissent. Employee dissent occurs when an employee perceives inconsistencies between an existing and a desired state of affairs, and subsequently objects to questions or disagrees with these workplace circumstances (cf. Kassing, 1997, 1998). The discrepancy between a desired state of affairs (what was promised) and the actual state of affairs (what was received) is considered a breach of organizational obligations (Restubog et al., 2013) and is likely to precipitate dissent (De Ruiter et al., 2013).

In contemporary organizations, PCB is considered a rule rather than an exception (Robinson & Rousseau, 1994). Robinson and Rousseau (1994) found that more than 50% of employees experienced PCB; Conway and Briner (2002) found that almost 70% of employees perceived their organization to have breached at least one promised obligation during a 10-day period. Although many studies link PCB to negative employee attitudes and behaviors (e.g., Zhao, Wayne, Glibkowski, & Bravo, 2007), little conceptual or empirical work has considered the process that takes place between the perception of breach and an employee’s ultimate response (Conway & Briner, 2005). This is surprising because PCB “is likely to trigger a process that may or may not lead to the changes in attitudes and behavior depending on a number of intervening stages” (Conway & Briner, 2005, p. 137). In this article, we consider employee dissent about PCB and subsequent employee-manager interactions as important intervening stages in the relationship between PCB and work-related outcomes. Considering the high prevalence of PCB and its negative ramifications, it is important to understand how dissent about PCB evolves over time and how the dissent process ultimately influences the dissenter’s attitudes and behaviors. For example, under what conditions do employee-manager interactions in response to an employee’s dissent about PCB escalate and negatively influence an employee’s ultimate response to breach? And, more importantly, how should managers respond to employee dissent about PCB to de-escalate the situation and return to pre-breach exchange status?

Initial investigations of employee dissent focused on the nature of dissent and distinguished between “personal-advantage dissent”, “principled dissent”, and “other-focused dissent” (e.g., Kassing, 2001; Kassing & Armstrong, 2002). The first term refers to bettering one’s own situation in the organization and includes “disagreeing when one’s work hours are cut or when one is called on to perform extra duties” (Kassing, 2001, p. 444). This term best describes the type of dissent employees are likely to use in response to PCB; the employee is focused on improving his or her own work situation rather than improving working conditions of co-workers (other-focused dissent) or the organization as a whole (principled dissent).

Garner (2013, 2016) argued that theory and research on employee dissent overrate the role of the dissenter and fail to adequately consider the role of *recipients* of the dissent message. To address this shortcoming, Garner (2013) redefined employee dissent as an “interactional phenomenon” and advocated a process approach that considers the role of the organizational members affected by the dissent (i.e., managers and colleagues) in the co-construction of dissent. We adopt Garner’s (2013) reconceptualization of dissent as an interactional phenomenon and use a process perspective. Our process approach, however, differs from Garner’s (2013) in important ways. First, although some suggest that the nature of dissent is likely to influence the dissent process in different ways (Kassing, 2009b), Garner (2013) did not distinguish between the nature of the dissent message in his process model. Our model specifically focuses on the dissent process in relation to personal- advantage dissent. Second, while Garner (2013) focused on the role of managers as well as colleagues in the dissent process, our model is limited to the role of the immediate manager. Finally, Garner (2013) focused on the outcome of dissent in terms of its effectiveness in the eyes of the parties involved (i.e., dissenters, supervisors, and co-workers). We suggest that the outcome of the dissent process can best be conceptualized in terms of the dissenter’s ultimate behavior (e.g., exiting the organization, reducing discretionary effort) in response to the “triggering agent” (Kassing, 1997, p. 322).

Research indicates that dissent-triggering agents such as PCB are associated with a decrease in job satisfaction, organizational commitment, and in-role performance as well as an increase in turnover intentions (Zhao et al., 2007). Consequently, we suggest that the way the manager responds to an employee’s initial dissent about PCB influences subsequent employee-manager interactions, which in turn influence whether or not employees will reduce their commitment and discretionary efforts or engage in counterproductive behaviors. In the following section, we briefly outline the boundary conditions and scope of our model. Then we present our dyadic process

model and describe how employee-manager interactions in response to dissent about PCB may escalate into negative workplace attitudes and behaviors. Next, we discuss the implications of our model and describe a number of research methods and designs that can be used to test our propositions. Finally, we present a number of practical recommendations.

## **4.2 Boundary conditions and scope of the model**

Although existing research has largely ignored the processes taking place after employees have experienced PCB (Tomprou, Rousseau, & Hansen, 2015), a few studies have examined how employees make sense of perceived breaches (e.g., Bankins, 2015; Parzefall & Coyle-Shapiro, 2011). According to Bankins (2015), employees can use several coping strategies in response to PCB. Although Bankins did not focus specifically on the role of others, some of the coping strategies she identified correspond to lateral and upward dissent strategies such as asking advice from others (lateral or upward dissent) and seeking information from (senior) managers (upward dissent).

Empirical evidence supports the use of both upward and lateral dissent strategies in response to PCB. Our model, however, focuses on upward dissent strategies because employees are most likely to turn to an organizational representative in response to a specific breach (Parzefall & Coyle-Shapiro, 2011). Moreover, Bankins (2015) found that employees who experienced severe breaches particularly recalled using information-seeking responses (comparable with upward dissent) to cope with these negative events. Breaches that were not repaired or remediated successfully (e.g., due to insufficient responses from organizational agents) tended to result in increased employee negativity including cynicism (Bankins, 2015). In sum, it is important to determine when interactions between employees and organizational representatives are considered successful and lead to pre-breach exchanges and under what conditions interactions lead to negative employee outcomes. Our model specifically focuses on one organizational representative - the employee's immediate manager - because employees are likely to turn to this organizational agent after having experienced PCB (Restubog, Bordia, & Bordia, 2011) and expect him or her to take action (cf. Baccili, 2001).

Scholars are beginning to acknowledge that employees develop a psychological contract not only with their employer but also with their immediate manager (Baccili, 2001; Chambel, 2014). Although research in this area remains relatively scarce, evidence indicates that employees distinguish between breaches of organization obligations and breaches of manager obligations (Baccili, 2001; Chambel, 2014). Examples of organization obligations include fair and equitable policies, competitive compensation and offering a high performance infrastructure (Baccili, 2001). Supervisor obligations include honest communication and respect (Baccili, 2001; Bligh & Carsten, 2005), autonomy, and flexibility (Botsford Morgan & King, 2012; Coyle-Shapiro & Parzefall, 2008).

Research also indicates that employees' responses to breaches of organization obligations and manager obligations differ (Baccili, 2001). Moreover, employees evaluate supportive managerial behaviors differently depending on whether they attribute the breach to the manager or to the organization. Although managerial support can mitigate the negative effect of breaches of organizational obligations (Baccili, 2001; Ng, Feldman, & Butts, 2014; Zagenczyk, Gibney, Kiewitz, & Restubog, 2009), a high-quality relationship with one's manager may exacerbate the negative outcomes when managers are held at least partially responsible for the breach (Ng et al., 2014).

We expect the dissent process in response to breaches of organization obligations to be different from the dissent process after a breach of manager obligations - in the latter case, we would expect more lateral and displaced dissent. Due to these important differences, we limit the focus of our model to situations in which an employee's initial dissent expression is triggered by the perception that the organization has failed to fulfill promised obligations.

### **4.3 Dyadic process model**

Dyadic process models explain how a number of important phenomena in the workplace evolve over time. Klaussner (2014), for example, used this approach to explain how employee-manager interactions in response to an employee's perception of managerial injustice may spiral into abusive supervision. Andersson and Pearson (1999) used a dyadic process perspective to explain how workplace incivility may escalate into workplace aggression. Drawing upon the approaches of the above

scholars, we developed a dyadic process model for explaining how an employee's initial dissent about PCB may escalate into negative employee attitudes and behavior. The following sections present the critical components of this model, beginning with the starting point.

#### **4.3.1 The starting point**

Our model begins with an employee's perception that the organization has failed to fulfill promised obligations while the employee concerned has upheld his or her end of the deal (Morrison & Robinson, 1997). Scholars mention three causes for an employee's perception of PCB (Morrison & Robinson, 1997; Rousseau, 1995) - deliberate renegeing, unintentional renegeing (or disruption), and incongruence. The first two refer to situations in which an organization is aware of the obligations existing between itself and the employee but fails to keep those obligations (Morrison & Robinson, 1997); the latter refers to situations in which the organization truly believes it has fulfilled its obligations while the employee believes the organization has failed to do so (Robinson & Morrison, 2000).

Organizations may renege on promised obligations because they are unable to fulfill them or because they are unwilling to do so (Morrison & Robinson, 1997). The first condition, unintentional renegeing, is particularly likely to occur when an organization faces financial distress (Turnley & Feldman, 1999a). In such situations, an organization may be unable to keep obligations related to, for example, job security (as the organization may need to resort to layoffs) or pay raises (as financial resources may be insufficient). The most important characteristic of unintentional renegeing is that it is "uncontrollable by both parties and externally caused, thereby deviating the responsibility of the cause away from the organization" (Cassar, Buttigieg, & Briner, 2013, p. 87). In the second condition, deliberate renegeing, organizations purposefully renege on promised obligations even when they are financially strong. In these situations, an organization may break its commitments regarding job security or pay raises to increase financial returns for its shareholders (Turnley & Feldman, 1999a).

Reneging is the most likely cause of an employee's perception of PCB (Morrison & Robinson, 1997). In fact, Lester, Turnley, Bloodgood, and Bolino (2002) found that in almost 74% of the cases in which employees experienced a breach of obligations, the breach was attributed to deliberate or unintentional renegeing. In some instances, however, perceptions that the organization has failed to keep its obligations are caused

by incongruence. In these situations, the employee and the organization have different perceptions of the inducements and efforts each party is obligated to provide to the other (Turnley & Feldman, 1999a). Thus, the organization may truly believe that it has fulfilled its obligations toward the employee, whereas the employee perceives that the organization has failed to keep its commitments (Morrison & Robinson, 1997).

Because reneging is the most likely cause of employee perceptions of PCB, our dyadic process model centers on employee–manager interactions in response to dissent about breaches caused by an organization’s inability (unintentional reneging) or unwillingness (deliberate reneging) to keep its commitments vis-à-vis employees. Turnley and Feldman (1999a) pointed out that employees are likely to react differently when an organization purposefully fails to fulfill obligations compared with when an organization is unable to keep its promises due to external factors. Hence, employee dissent about PCB is likely to differ depending on the cause of the breach. We shall return to this issue below when we discuss how the causes of PCB are likely to affect an employee’s motive to express dissent about breach.

### **4.3.2 The employee side of the escalation spiral**

#### **4.3.2.1 Exit, voice, loyalty, and neglect (EVLN)**

To understand how employees respond to dissatisfying situations at work, Hirschman (1970) developed the EVLN framework (Turnley & Feldman, 1999a). Several scholars have suggested that this framework can also explain how employees respond to PCB (e.g., Rousseau, 1995; Shore & Tetrick, 1994; Turnley & Feldman, 1998, 1999b). More specifically, employees may quit their jobs (i.e., exit), express their concerns or dissatisfaction (i.e., voice), reduce discretionary behaviors (i.e., decrease in loyalty), or be absent from work, waste time at work, or complete personal business during working hours (i.e., neglect) in response to PCB (Rousseau, 1995; Turnley & Feldman, 1999b). Rousseau (1995) indicated that in addition to passive negligence, neglect can also refer to active destructive behaviors, including theft and workplace aggression. Several studies have examined the effects of PCB on one or more of these response behaviors (e.g., Jensen, Opland, & Ryan, 2010; Ng et al., 2014; Si, Wei, & Li, 2008).

Psychological contract researchers have generally viewed employee responses in the EVLN framework as static. More specifically, if multiple employee responses were considered within the same study, these responses were examined as separate, independent outcomes. However, according to Shore and Tetrick (1994), employees

who respond to PCB through voice aim to preserve or restore their psychological contract, a so-called “action orientation” (p. 105); the other employee responses (i.e., exit, loyalty, and neglect) refer to state orientations. When voice efforts are ineffective, employees are likely to turn to one of these static responses in an attempt to pull through after the organization has failed to fulfill promised obligations (Shore & Tetrick, 1994). That is, employees may reduce discretionary effort or exit the organization.

The above is consistent with Parzefall and Coyle-Shapiro’s (2011) qualitative study. They found that employees who perceived PCB were likely to voice their dissatisfaction in an attempt to understand why the organization did not keep its commitments. However, when organizational representatives failed to respond, employees could not pretend and continue in the same way as before (Parzefall & Coyle-Shapiro, 2011). Thus, in the context of PCB, the employee responses identified in the EVLN framework are likely to follow a sequential pattern in which voice is an intermediary employee response between PCB and exit, loyalty, and neglect. However, current psychological contract research, to the best of our knowledge, has failed to consider precisely how employees voice their concerns about PCB to organizational representatives (i.e., their immediate manager), how immediate managers respond to different types of employee voice with respect to PCB, and how these managerial responses in turn affect employee attitudes and behaviors.

Our dyadic process model considers each of the above-mentioned issues. First, we include different types of voice strategies (i.e., upward dissent strategies) that employees are likely to use in response to PCB, and we consider the order in which employees use these strategies over time. Second, we explain how managers are likely to respond to these different strategies. Finally, we explain how these interactions between employees and managers following an employee’s initial dissent about PCB may escalate into reduced loyalty, an increase in turnover intentions (i.e., exit), and counterproductive behavior (i.e., active neglect).

#### **4.3.2.2 Types of dissent strategies**

Garner (2009b), Kassing (2002), and Kassing and Kava (2013) identified the types of dissent strategies that employees use in response to dissatisfying circumstances at work. However, while Garner (2009b) included both upward and lateral dissent strategies in his conceptualization and did not distinguish between the two, we use the framework of employee upward dissent strategies as identified and defined by

Kassing (2002, 2005) and Kassing and Kava (2013) to explain the types of dissent strategies that employees may use in their interactions with managers following PCB. Kassing (2002, 2005) identified five upward dissent strategies - direct-factual appeal, solution presentation, repetition, circumvention, and threatening resignation. He assessed the relative competence of these strategies using politeness theory and facework. Kassing (2002) posited that employees who express dissent through direct-factual appeal use accurate information obtained from work experience, the interpretation of company procedures, and tangible evidence to substantiate their dissent claim. Solution presentation means that rather than exclusively offering (tangible) proof, an employee presents a solution to resolve the dissatisfying workplace condition (possibly along with proof; Kassing, 2002). In their examination of the factor structure of an instrument measuring Kassing's five dissent strategies (Kassing, 2002, 2005), Kassing and Kava (2013) found that solution presentation and direct factual appeal loaded on the same factor. The researchers re-conceptualized these strategies as "prosocial dissent." Repetition occurs when an employee repeatedly expresses his or her concerns about a dissatisfying condition at work across multiple points in time (Kassing, 2002, 2005). Circumvention occurs when an employee expresses dissatisfaction or concern to someone who is in a higher position than the immediate manager, for example, the manager's manager (Kassing, 2002, 2007). Finally, threatening resignation refers to using the threat of quitting one's job and leaving the organization to trigger one's manager to take action (Kassing, 2002).

Esteem and status, two important currencies in social interactions (Brett et al., 2007), are also relevant to dissent strategies. Dissent strategies that protect a manager's esteem and status are generally seen perceived of as competent or face-preserving dissent strategies, while dissent strategies that attack a manager's face are considered face threatening (e.g., Kassing, 2005). Kassing (2005) found that the five upward dissent strategies form a continuum in which solution presentation and direct-factual appeal are face preserving (or prosocial, according to Kassing & Kava, 2013), repetition and circumvention are moderately face threatening, and threatening resignation is "overtly face threatening" (Kassing, 2005, p. 231). To illustrate, when resorting to solution presentation, employees protect a manager's face because they do not hold a manager personally accountable and work together to resolve the breach of obligation (Kassing, 2005). Yet, by threatening resignation, an employee "compromises a supervisor's face as it entails the blatant use of threats to obtain responsiveness from one's superior" (De Ruiter et al., 2013, p. 5).



#### **4.3.3.3 Motives for expressing dissent about PCB**

Garner (2009a) indicated that employees have different motives for expressing dissent and suggests that these dissent objectives influence the type of dissent strategy used. Parzefall and Coyle-Shapiro (2011) found that employees express dissatisfaction with PCB because they would like to hear explanations or justifications as to why the organization failed to fulfill promised obligations or because they would like the organization to take remedial action. Building upon these findings, De Ruiter et al. (2013) distinguished two motives for expressing dissent about PCB. The first concerns understanding why the organization failed to fulfill its obligations. Conway and Briner (2005) suggested that PCB may lead to feelings of inequity and can negatively affect the trust an employee has in the organization. Rousseau (1995) suggested that employees may voice concerns about PCB to restore trust. Thus, considering the important role of trust, employees are likely to struggle with questions including “why did the organization treat me in this way?” (De Ruiter et al., 2013, p. 4). These types of questions signify an employee’s desire to understand why the organization did not uphold its end of the deal, and employees may use dissent strategies to obtain information to help them answer such questions. This is consistent with Garner (2009a) who found that the most common primary objective for expressing dissent is to obtain information about the dissatisfying situation.

The second motive is concerned with rectifying PCB. According to Conway and Briner (2005), an employee may, as a result of PCB, be deprived of valuable inducements and suggest that organizations can make up for this situation by offering some form of compensation. Moreover, Rousseau (1995) and Parzefall and Coyle-Shapiro (2011) suggested that an employee may voice concerns about PCB to reduce losses. Taken together, we suggest employees may use dissent strategies with the goal of receiving compensation for the breach of obligations.

Garner (2009a) argued that to judge whether a dissent effort has been successful, it is important to determine whether the dissenter’s objective has been achieved. In the context of PCB, the motivation for expressing dissent likely depends on the causes underlying an employee’s perception of PCB. Our model focuses on two causes of PCB, namely, deliberate and unintentional renegeing. For both causes, it is likely that an employee is motivated to understand why the organization failed to keep promised obligations. That is, when an employee believes he or she has not received everything that was promised, the employee is likely to “seek some explanation for why this is the case” (Turnley & Feldman, 1999a, p. 376). If the breach of obligations was caused

by external factors, unintentional reneging, we propose that an adequate explanation will help an employee understand why the organization was unable to fulfill its obligation(s). In other words, when an employee receives a credible explanation in response to dissent about PCB caused by unintentional reneging, the dissent expression is likely to have been successful.

Conversely, when an organization deliberately reneges on promised obligations, justification alone is probably not enough to satisfy the dissenter. We suggest that when an organization has purposefully reneged on its promises, employees will have a second objective or motive for expressing dissent, namely, to receive some form of compensation. This means that the dissent expression is likely to have been successful when an employee receives both an adequate explanation and some form of compensation in response to PCB caused by intentional reneging. In this way, the dissenter's objective will have been achieved.

#### **4.3.3.4 The sequence of employee dissent strategies over time**

Kassing (2009b) found that when an employee first expresses dissent, he or she is likely to use competent or face-preserving dissent strategies. Accordingly, we posit that in their initial expressions of dissent about PCB, employees are likely to use face-preserving dissent strategies. Kassing (2009b) further explained that when employees have repeatedly used competent dissent strategies but have not received an adequate response from their immediate manager, face-preserving dissent strategies are likely to culminate into face-threatening dissent strategies. Thus, whether an employee will resort to the use of face-threatening dissent strategies in response to PCB largely depends on the immediate manager's response.

According to Carson and Cupach (2000), providing adequate and honest explanations is considered "more face-preserving for employees" (p. 221). Thus, when an employee expresses dissent to understand why the organization failed to fulfill obligations and is given adequate explanations from a supervisor about the external factors that have forced the organization to renege on promised obligations, the employee will likely understand the reason behind the breach of obligations (cf. Tomprou et al., 2015) and probably depart from the escalation spiral (cf. Andersson & Pearson, 1999). Alternatively, when a manager is responsive to an employee's dissent about PCB (i.e., by showing concern) but fails to provide a sufficient justification for why the organization purposefully breached its obligations, the employee will likely use a face-preserving dissent strategy once again, this time with the aim of receiving some form

of compensation for the loss of inducements. If a manager does not respond adequately, for example, through delaying responses or by becoming irritated or aggravated (Kassing, 2009b), an employee's esteem and status are likely to be threatened, resulting in face loss (Andersson & Pearson, 1999; Brett et al., 2007). Face loss triggers negative emotions, including anger (Andersson & Pearson, 1999; Brett et al., 2007). In the context of PCB, we posit that face loss is likely to trigger psychological contract violation (PCV).

PCV is defined as an emotional experience characterized by strong feelings of resentment, anger, and frustration that may follow from the perception that one did not receive promised inducements (Baccili, 2001). Robinson and Morrison (2000) noted that the strong emotions caused by feelings of violation can be reduced by providing credible explanations for why the breach occurred and by treating employees with respect. Thus, PCB does not always result in PCV (Bankins, 2015; Coyle-Shapiro & Parzefall, 2008). Due to the important role of explanations following PCB, we suggest that managerial responses to an employee's initial dissent about PCB determine whether PCB will result in PCV. More specifically, face attacks (e.g., uncooperative managerial responses) likely breed negative emotions such as anger and resentment (Andersson & Pearson, 1999; Brett et al., 2007), which, in turn, influence the manner in which employees speak up (Chiaburu, Marinova, & Van Dyne, 2008; Grant, 2013). Accordingly, we posit that when a manager responds unfavorably (by not offering a credible explanation for why the breach occurred), the employee will likely experience strong negative emotions (i.e., PCV) in response to a perceived breach of promised inducements, which subsequently affects the type of upward dissent strategy used.

To the best of our knowledge, research has not addressed the role of negative emotions, including anger and betrayal, in the expression of personal-advantage dissent. The employee voice literature, however, does provide important insights into the potential role of such negative emotions for our dyadic process model. For example, Grant (2013) indicated that the negative emotions - similar to affective states associated with PCV - "that spur employees to speak up may undermine their ability to do so constructively" (p. 1704). In view of this assumption, we suggest that employees who experience PCV are likely to use less competent, face-threatening dissent strategies.

Based on the above, we suggest that there are generally two paths of employee responses, both of which are dependent upon feelings of face loss. Proposition 1a refers to the de-escalation path; Proposition 1b describes the escalation path. An

example of these paths is depicted in Figure 4.1, Panels A and B, respectively.

*Proposition 1a: When managers are responsive to employees who express dissatisfaction with PCB, these employees are likely to use face-preserving dissent strategies on multiple occasions, and they are eventually likely to depart from the escalation spiral.*

*Proposition 1b: When managers respond inadequately to employees who express dissatisfaction with PCB, and thus threaten their face, face-preserving dissent strategies are likely followed by moderate face-threatening dissent strategies and subsequently by overtly face-threatening strategies.*

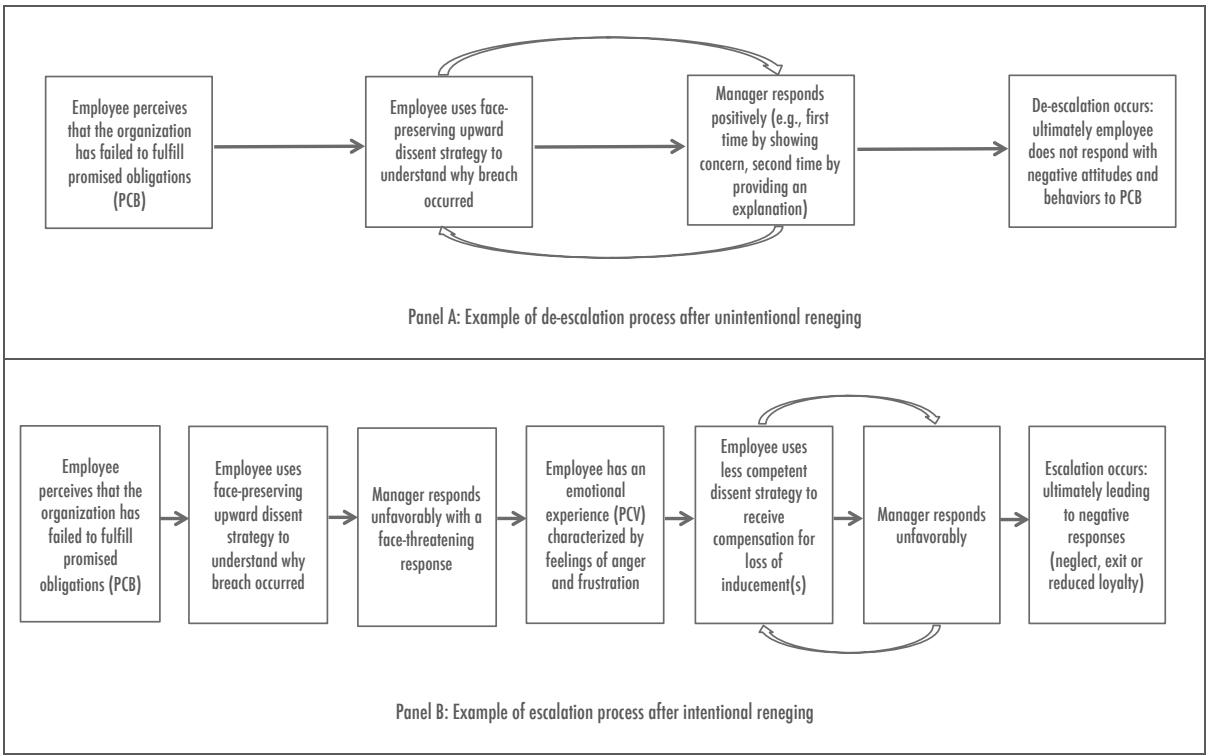


Figure 4.1. Examples of escalation and de-escalation processes.

Note. PCB = Psychological contract breach. PCV = psychological contract violation

Andersson and Pearson (1999) referred to a tipping point, which is the moment in which a final unjust act in a series of unjust acts elicits a powerful retaliatory response. In our dyadic process model, the tipping point occurs when increasingly unfavorable employee–manager interactions escalate into negative employee attitudes and behaviors. In the context of PCB, these negative attitudes and behaviors refer to a decrease in proactivity and organizational citizenship behaviors (cf. Ng, Feldman, &

Lam, 2010; Restubog, Hornsey, Bordia, & Esposito, 2008), an increase in turnover intentions (cf. Zhao et al., 2007), and an increase in passive and active withdrawal behavior, including absenteeism and retaliation (cf. Bordia, Restubog, & Tang, 2008). An example of the escalation path, in which the employee eventually crosses the tipping point, is illustrated in Panel B of Figure 4.1.

#### **4.3.4 The employee side of the spiral: Facilitators and barriers**

Andersson and Pearson (1999) explained that exchanges between two parties are not the only important factors in an escalation spiral. Specifically, this spiral can be facilitated or hindered by individual, situational, and relational factors. For the employee side of the escalation spiral, we consider two important factors—emotion regulation and relationship quality.

##### **4.3.4.1 Emotion regulation strategies**

Grant (2013) emphasized that an employee's behaviors are not solely shaped by his or her emotions but also by the way in which an employee manages these emotions. More specifically, Grant (2013) proposed that through emotion regulation knowledge and through deep acting or surface acting strategies, employees are likely able to, respectively, "quell their anger and frustration" and "mask their feelings of anger and frustration, hiding them behind expressions of other emotions or suppressing them altogether" (p. 1708). Grant (2013) also provided empirical support for the relevance of emotion regulation knowledge and emotional labor strategies for the expression of "improvement-oriented voice" (p. 1717). Drawing from Grant's (2013) conceptual framework and empirical results, we assume that for those employees who experience PCV, knowledge of emotion regulation and the use of emotional labor strategies will be positively related to the use of competent or face-preserving dissent strategies, while a lack of emotion regulation knowledge will likely result in the use of face-threatening or less-competent dissent strategies. This has important implications for the escalation spiral, reflected in Proposition 2 below.

*Proposition 2: When an employee has knowledge of emotion regulation and uses emotional labor strategies, the likelihood that the spiral will escalate further is smaller than when an employee does not use these strategies. More specifically, employees who use emotion regulation strategies are more likely to refrain from using face-threatening dissent strategies in exchanges with their manager.*

#### 4.3.4.2 Leader-member exchange (LMX)

Our dyadic process model considers how the quality of the relationship between an employee and his or her manager, or LMX, may influence the way in which the employee expresses dissent about PCB, which in turn influences the manager's response to the employee's dissent behavior.

According to LMX theory, managers develop high-quality relationships with some of their employees, while other employees belong to the so-called "out-group" (Liden & Graen, 1980). High-quality relationships are characterized by mutual trust, caring, and respect whereas low-quality relationships (i.e., out-group) are limited to contractual agreements (Sparrowe & Liden, 1997). Kassing (2000) assessed whether LMX influences the type of dissent (articulated, lateral, or displaced) that employees used. Results indicated that employees who have a high-quality relationship with their manager are more likely to use articulated dissent compared with employees whose relationship with their supervisors are of low quality. Waldron and Sanderson (2011) found that employees who experience high-quality LMX are more likely to be bold and overt and less watchful in their communications with their managers. They also suggest that high-quality LMX exemplifies a low degree of social distance, thereby lowering the perceived threat of upward communication (Waldron & Sanderson, 2011).

In sum, the above findings indicate that employees with high-quality relationships with their managers are more likely to voice their concerns to their managers. However, they do not indicate whether employees with high-quality relationships use competent or less competent strategies when expressing dissatisfaction with workplace conditions. Garner (2009a) proposed that employees in a high-quality relationship with their manager are less likely to use face-threatening dissent strategies such as repetition or circumvention as these strategies "may take their toll in a relationship" (Garner, 2009a, p. 40). This proposition was, however, not examined empirically. Consequently, to more fully understand the role of LMX in the expression of dissent, we turn to the related field of organizational influence.

Deluga and Perry (1991) investigated the relationship between LMX and six upward influence strategies. Two of these tactics, reason and higher authority, are comparable with two of the dissent strategies conceptualized by Kassing (2002, 2005): direct-factual appeal and circumvention, respectively. Deluga and Perry (1991) hypothesized that high-quality LMX would be positively related to reason, but found no support for this

relationship. In view of this, the researchers suggested that reason is used by employees who experience high LMX relationships as well as by employees with low-quality relationships with their managers. Deluga and Perry did, however, find support for the hypothesized negative relationship between high LMX and higher authority, concluding that employees in high LMX relationships refrain from using upward influence strategies that jeopardize trust and undermine the quality of the relationship with their manager. Given this, we suggest the following:

*Proposition 3: When an employee has a low-quality relationship with his or her manager, the spiral is more likely to escalate further than when the employee has a high-quality relationship with his or her manager. More specifically, employees in low LMX relationships are more likely to use face-threatening dissent strategies in exchanges with their manager.*

### **4.3.5 The manager side of the escalation spiral**

Klaussner (2014) explained that a dyadic process model cannot be understood without adequate consideration of how and why manager responses contribute to the escalation spiral. In this section, we use politeness theory and facework (Brown & Levinson, 1987; Goffman, 1967) to explain how managers perceive employee dissent strategies and how this perception influences their subsequent counter-responses. We also explore the factors that may hinder or facilitate the manager side of the escalation spiral.

#### **4.3.4.1 Employee dissent strategies: Managerial perceptions and responses**

Consistent with the literature on politeness theory and face (Brett et al., 2007), we posit that managers are likely to be receptive to face-preserving dissent strategies. More specifically, when a manager's esteem and status are maintained, he or she is likely to lend a hand and respond positively (Brett et al., 2007). Conversely, when a manager's face is threatened (when an employee uses a less competent dissent strategy), we posit that the manager is less likely to oblige and more likely to be unsympathetic toward the employee's work situation. Empirical research on managerial responses to face-preserving and face-threatening dissent strategies is scarce. However, Garner (2016) examined managers' perceptions of the appropriateness and effectiveness of employee dissent strategies and found a positive relationship between direct-factual appeals and effectiveness and solution presentation and appropriateness. In addition, his results indicate a negative relationship between repetition and appropriateness. These findings support the assumption that managers have a positive perception of face-

preserving dissent strategies (i.e., direct-factual appeals and solution presentation), whereas managers negatively evaluate face-threatening dissent strategies.

Kassing (2009b) identified three general categories of supervisory responses to repetitious dissent - "delaying responses", "unfavorable responses", and "favorable responses". Delaying responses refer to a supervisor's lack of action, unresponsiveness to concerns expressed by employees, and delaying tactics (Kassing, 2009b). Unfavorable responses refer to behaviors such as "becoming irritated, annoyed, and aggravated" (Kassing, 2009b, p. 424). Favorable responses include positive responses such as being responsive to expressions of concerns, being sympathetic, and resolving the issue. In the context of PCB, delaying responses are likely to refer to a manager's unresponsiveness to employee concerns about PCB and unwillingness to stand up for employees who have lost valued inducements as a result of PCB. When managers are unsympathetic to an employee's concerns, they are likely to threaten the employee's esteem and status. Thus, delaying responses are considered face-threatening acts. Unfavorable responses strongly resemble what Carson and Cupach (2000) referred to as aggravating managerial responses, and they are considered particularly face threatening for employees. Favorable managerial responses in relation to PCB include, among others, providing explanations for why PCB occurred (cf. Zagenczyk et al., 2009), standing up for employee concerns (cf. Baccili, 2001; Restubog et al., 2011), and providing compensation for the loss of valued inducements (cf. Conway & Briner, 2005; Rousseau, 1995); all of these responses are considered to protect an employee's esteem and status. Given the above, we offer the following propositions:

*Proposition 4a: Managers are likely to respond favorably when employees use face-preserving dissent strategies.*

*Proposition 4b: Managers are likely to respond unfavorably or use delaying tactics when employees use face-threatening dissent strategies.*

#### **4.3.6 The manager side of the spiral: Facilitators and barriers**

We suggest that Propositions 4a and 4b generally hold for situations in which employees express dissatisfaction about PCB. Nevertheless, research also suggests that managers may respond *unfavorably* to face-preserving dissent strategies and that face-threatening dissent strategies can also be quite *effective* (Kassing, 2007, 2009b). Many factors likely influence whether face-threatening dissent strategies will actually result



in negative manager responses and vice versa. The following paragraphs consider a few of these facilitators and barriers.

#### **4.3.6.1 Leader-leader exchange (LLX)**

The quality of the manager's relationship with his or her own manager, also known as leader-leader exchange or LLX (Tangirala, Green, & Ramanujam, 2007; Zhou, Wang, Chen, & Shi, 2012), may be an important barrier to the escalation spiral because high LLX implies that a manager has more access to organizational resources and is more likely able to "cut red tape" (Tangirala et al., 2007, p. 312). This suggests that the manager is in a better position to respond favorably to an employee's dissent about PCB (e.g., by offering compensation for a loss of inducements) than a manager with low LLX.

Kassing (2009a) found that employees often experienced unsatisfactory responses when they expressed dissent about a dissatisfying work situation to their manager. In this study, some employees would repeatedly express their dissent to their manager, and others would almost immediately use a more face-threatening strategy (i.e., circumvention). According to Kassing (2009a), the decision to quickly change to a less competent strategy was informed by employees' relational history with their managers. Conversely, employees who had high-quality relationships with their supervisors were more likely to repeatedly give their manager the opportunity to respond to their dissent before taking a more face-threatening approach. In such cases, the reason for the manager's ineffectual response was likely not unwillingness but rather inability to take appropriate action, possibly caused by low LLX which limits a manager's ability to get things done higher up in the organization.

Given the above, we posit that when an employee uses a face-preserving dissent strategy with the goal of receiving some form of compensation for the breach of organizational obligations, managers with high LLX are likely to respond favorably, and therefore, the subsequent exchanges between employee and manager are likely to de-escalate.

*Proposition 5: When a manager has a high-quality relationship with his or her superior, the likelihood that the spiral will escalate further is lower than when a manager has a low-quality relationship with his or her superior. More specifically, managers with high LLX are better able to rectify an employee's PCB than managers with low LLX.*

#### 4.3.6.2 The manager's psychological contract

The manager's psychological contract is an important facilitator of the escalation spiral. Bordia et al. (2010) asserted that a manager's perception of PCB leads to a decrease in organizational citizenship behaviors toward employees, and Hoobler and Brass (2006) found that violation of a manager's psychological contract leads to abusive supervision toward one's employees. Moreover, according to Bull Schaefer (2010), in response to PCB, immediate managers communicate strain related to the negative evaluation of the state of their psychological contract to their employees; becoming more cynical toward their organization and expressing this cynicism toward their employees, they become less positive in their exchanges with employees. Thus, we suggest that when a manager negatively evaluates his or her own psychological contract, he or she is less likely to respond favorably to an employee's face-preserving dissent about PCB, thereby further escalating the spiral following an employee's perception of PCB.

*Proposition 6: When a manager negatively evaluates his or her own psychological contract, the likelihood that the spiral will escalate further is greater than when a manager positively evaluates his or her psychological contract.*

In addition to the manager's perception of PCB, it is important to consider the content of the manager's psychological contract with the organization. More specifically, managers may in some cases be unable or unwilling to respond favorably to employee dissent about PCB if this foregoes upholding their own obligations toward the organization (Baccili, 2001; Hallier & James, 1997). Consequently, our model considers the content of a manager's psychological contract to be an important facilitator of the escalation spiral. Specifically, we propose that when responding favorably to employee dissent about PCB conflicts with the terms of a manager's own psychological contract, managers are unlikely to respond favorably to employee's face-preserving dissent about PCB.

*Proposition 7: When a manager perceives that responding favorably to an employee's expression of dissent about PCB is at odds with the obligations the manager has toward the organization, there is a greater likelihood that the spiral will escalate further than when responding to an employee's dissent about PCB is not in conflict with the manager's commitments to the organization.*

## 4.4 Summary of the model

The dyadic process model presented here explains under what conditions PCB results in negative employee attitudes and behaviors. Moreover, it shows that employees do not always respond negatively to PCB and are capable of returning to pre-breach exchange status. An overview of our complete model is depicted in Figure 4.2<sup>2</sup>.

We propose that employees who perceive that the organization has failed to keep its obligations will first use a face-preserving dissent strategy to understand why PCB occurred. If the manager responds favorably to the employee's dissent and provides adequate explanations why the organization was unable to fulfill its obligations (i.e., a face-preserving strategy), this response will lead to de-escalation, and the work situation is likely to return to pre-breach status.

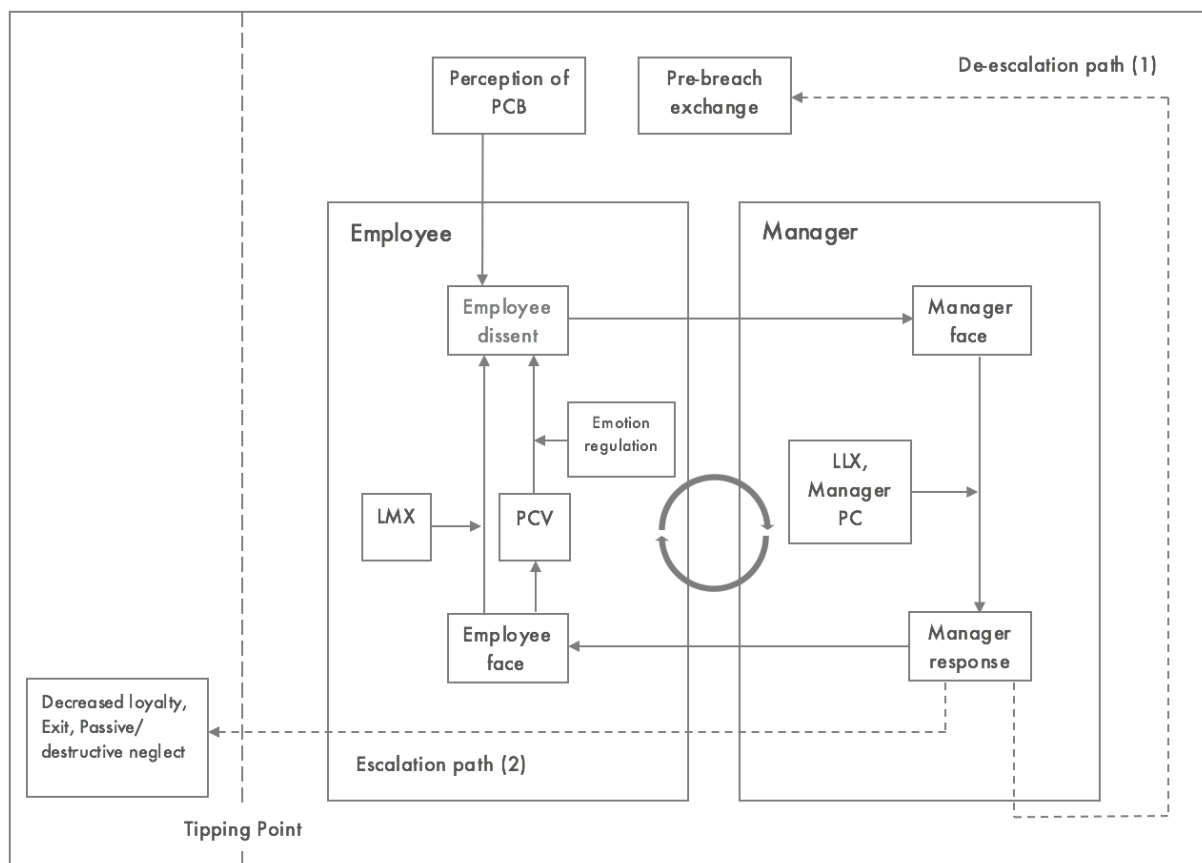


Figure 4.2. Dyadic process model.

Note. PC = Psychological contract; PCB = psychological contract breach; LLX = leader-leader exchange; LMX = leader-member exchange; PCV = psychological contract violation.

It should be noted that this is only the case when an employee believes the organization was unable to fulfill its obligations due to external circumstances (i.e., unintentional reneging). This is because employees who perceive external factors to have triggered the breach are likely to express dissent with the goal of understanding. Upon receiving adequate explanations, their dissent objective will have been achieved.

However, when employees believe the organization has purposefully reneged on its commitments, they are likely to have another objective for expressing dissent: receiving some form of compensation for the loss of valued inducements. According to Garner (2009a), dissent effectiveness is based on “whether the dissenter achieved his or her goal, rather than simply whether the organization responded positively” (p. 49). Consequently, even when a manager responds emphatically and tries to explain the situation, the employee is likely to use another face-preserving dissent strategy to achieve his or her second objective. If the manager responds favorably to this subsequent expression of dissent, for example, by providing compensation for the breach, de-escalation occurs (see Path 1 in Figure 4.2).

The second path in our model indicates the point at which an employee crosses the tipping point (see Path 2, escalation path, Figure 4.2). Employees are likely to use face-preserving dissent strategies when interacting with their manager following PCB. Managers are generally expected to respond favorably to face-preserving dissent strategies (cf. Brett et al., 2007); however, a manager’s response to employee dissent about PCB is also affected by a manager’s evaluation of his or her own psychological contract, the relationship with his or her superior (i.e., LLX), and competing obligations toward the organization.

A manager who does not respect an employee’s face or esteem causes face loss for the employee who is likely to react with strong emotions or PCV, which in turn is likely to trigger the use of a less competent, face-threatening strategy. This cycle of harmful employee–manager exchanges is likely to continue until the employee has had enough, and the manager’s final response in this cycle of negative interactions results in “frustration effects” (Harlos, 2001, p. 325) expressed through decreased loyalty, exit, passive, or destructive neglect.

## 4.5 Discussion and implications

Most psychological contract studies have focused on the direct relationship between PCB and employee attitudinal and behavioral outcomes. We suggest that the sequence of interactions between an employee and his or her immediate manager in response to the employee's initial dissent about PCB determines his or her ultimate attitudinal or behavioral response.

Our dyadic process model deviates from previous dyadic process perspectives (e.g., Andersson & Pearson, 1999; Klaussner, 2014) in one important respect. In earlier models, the initial mistreatment was committed by one of the parties in the dyadic process. In our process model, the initial perceived mistreatment was committed by the organization (by not keeping its commitments toward the employee), while the rest of our model focuses on interactions between an employee and his or her immediate manager. Because the organization is an abstract entity to which employees cannot directly express their dissent, we deemed it necessary to focus on the organizational member employees are most likely to turn to after they have perceived that the organization has failed to fulfill promised obligations: their immediate manager (cf. Baccili, 2001; Restubog et al., 2011).

Our model assumes that employees express dissatisfaction with PCB to their immediate manager and does not consider instances when they remain silent or choose to express their dissatisfaction to co-workers and non-work family and friends. Knoll and Van Dick (2013) and Waldron and Sanderson (2011), among others, claim that employees are often reluctant to voice concerns to effectual audiences. According to Bisel, Messersmith, and Kelley (2012), this "hierarchical mum effect" occurs because employees do not want to jeopardize important organizational relationships; they do not want to risk losing their jobs or be associated with negative messages. Nevertheless, PCB research (e.g., Parzefall & Coyle-Shapiro, 2011; Turnley & Feldman, 1999b) indicates that employees do in fact express their concerns or dissatisfaction about breaches to effectual organizational members such as immediate managers. These discrepancies may be related to the issues about which employees are willing and unwilling to express their concerns as well as to their motives for speaking up or remaining quiet.

Milliken, Morrison, and Hewlin (2003) indicated that employees keep quiet because they do not want to be viewed negatively and do not want to impair their relationship

with the organization. This seems to be particularly relevant for situations related to critical issues affecting the entire organization (e.g., whistle-blowing or principled dissent). However, when employees are personally disadvantaged or wronged through a breach of important personal entitlements, the loss of these valued inducements seems to weigh more heavily than the risks associated with speaking up. Although research has shown that employees are likely to express dissatisfaction with PCB to their immediate managers, it is likely that some employees remain silent or express their dissatisfaction to ineffectual audiences. In fact, Bankins (2015) found that employees also turn to co-workers after a perceived breach of obligations. Consequently, further research is needed to determine when employees choose to remain silent or use lateral or displaced dissent strategies and how this affects an employee's ultimate response to PCB.

#### **4.5.1 Research implications**

Empirical investigation of our model and propositions requires multiple methods and research designs (Andersson & Pearson, 1999; Tomprou et al., 2015). It is important to conceptualize employee dissent strategies in the context of PCB. More specifically, because existing typologies and measures of upward dissent strategies (Kassing, 2002, 2005; Kassing & Kava, 2013) were developed without consideration of the dissent-triggering event, it is possible that certain strategies may not have been identified. Therefore, it is important to examine whether employees use any additional upward dissent strategies in response to PCB.

A combination of inductive and deductive methods can be used for the conceptualization and measurement of upward dissent strategies in the context of PCB. First, interviews with employees and managers should be conducted to determine how employees express dissent about PCB to their managers. Statements from the interviews can then be used in the development of a survey instrument. This instrument should be further developed and validated through exploratory and confirmatory factor analyses in multiple studies with multiple samples. Moreover, because there is little theory or research on managerial responses to employee dissent (with the exception of Kassing, 2009b), it is important to use a similar multi-method approach to conceptualize and measure managerial responses to employee dissent about PCB. Once valid measures have been developed, these instruments can be used to conduct multisource longitudinal research.

Experimental vignette studies would also be useful in examining our research propositions. To determine under what conditions employees are more likely to use face-preserving dissent strategies and when they are more likely to use face-threatening dissent strategies, researchers could develop scenarios in which they manipulate the attribution for breach (deliberate vs. unintentional renegeing) and the quality of the relationship with one's manager (high vs. low LMX). Next, respondents could be asked to fill in a questionnaire on upward dissent strategies in response to a particular scenario. With these data, researchers will be able to examine under what conditions employees are more likely to use face-preserving dissent strategies and in what situations they are more likely to resort to more face-threatening dissent tactics. The experimental vignette methodology also lends itself well for testing the propositions regarding managerial responses to employee dissent about PCB.

Our model can also be tested through a mixed method approach similar to the approach used by Bankins (2015). In her study, Bankins analyzed changes in employees' psychological contracts in a four-wave quantitative study. These longitudinal data enabled conceptualization of different psychological contract change trajectories. In a qualitative follow-up, Bankins collected in-depth knowledge from employees who had experienced different psychological contract change trajectories. This approach enabled her to understand how employees coped with PCB over time. A similar mixed methodology would be very useful for testing our model. A longitudinal study could be used to examine changes in psychological contracts and PCB over time. This multiple wave survey could be extended with questionnaires measuring upward dissent strategies, managerial responses, and a baseline measure of LMX. In-depth interviews with a subset of the sample from the quantitative study would present the opportunity to examine how dissent about PCB evolves over time in relation to different types of breach and initial dissent expression. Moreover, the role of managerial responses to dissent could be further investigated, as could the role of the quality of the relationship with one's supervisor.

Finally, diary studies are very suitable for investigating our research propositions. Here, an interaction-record diary study (Meier & Gross, 2015) would be preferred as this approach is able to shed light on the actions and behaviors of both parties in the spiral, thereby providing the possibility to track employee-manager interactions over time.

### 4.5.2 Practical recommendations

Our dyadic process model offers a number of theoretical insights managers can use when responding to employee concerns about PCB. First and foremost, managers should be aware of their own important role in reducing the negative effects of PCB. We have seen that when an employee perceives a breach of organizational obligations, he or she is likely to turn to the immediate manager. Even under conditions of unintentional renegeing (when the organization was unable to fulfill its promises), it is essential that managers take employee dissent about these circumstances seriously. When managers adequately address these concerns by being empathic to the employee's situation and explaining why the organization was not able to fulfill its promises, the situation is likely to de-escalate and return to pre-breach exchange status.

Second, managers should consider that the employee's perception of why the breach occurred (deliberate vs. unintentional renegeing) plays an important role not only in the way in which employees express dissent about PCB but also in the type of response they expect from their manager. While empathy and adequate explanations are likely sufficient in situations of unintentional renegeing, employees are likely to dissent with the goal of receiving some sort of compensation under conditions of deliberate renegeing. In addressing dissent about PCB, managers should be aware that employees are not likely to share their perceptions regarding the cause of the breach. To illustrate, Lester et al. (2002) found that employees are more likely to attribute breaches to intentional renegeing, whereas managers are more likely to attribute PCB "to situations beyond the organization's direct control" (p. 39). Hence, managers must be aware that even when they believe the breach was unintentional, employees may not see it that way. In these instances, trying to justify the situation may not be considered satisfactory by employees, which may cause the situation to escalate and result in negative employee attitudes and behaviors.

Third, when a manager has little room to maneuver in offering compensation for a breach of obligations, for example, due to low LLX, it may be helpful to use a joint problem solving strategy (Tomprou et al., 2015). Thus, even when a manager has limited access to organizational resources, he or she can try to determine in cooperation with the employee what types of behaviors or actions he or she can undertake to try to compensate for the loss of inducements. For example, when an organization decides to cut back on training and development costs despite significant



profits and substantial bonuses for executives (a case of deliberate reneging), an employee is likely to perceive breaches related to developmental obligations. In these situations, a manager may offer to provide on-the-job coaching and mentor the employee.

## Notes

1. Scholars have used different labels to refer to unintentional reneging. Some (e.g., Lester, Turnley, Bloodgood, & Bolino, 2002; Rousseau, 1995) use the term *disruption*, whereas others refer to unintentional reneging (Morrison & Robinson, 1997). In this article, we use the term *unintentional reneging*, as it exemplifies that the organization has failed to live up to its commitments but did so unintentionally.
2. We based the graphical representation of our dyadic process model on Figure 1 from Klaussner (2014).

## Authors' notes

A less developed version of this article was presented at the Advances in OB and HRM workshop in Paris, France, in May 2014.

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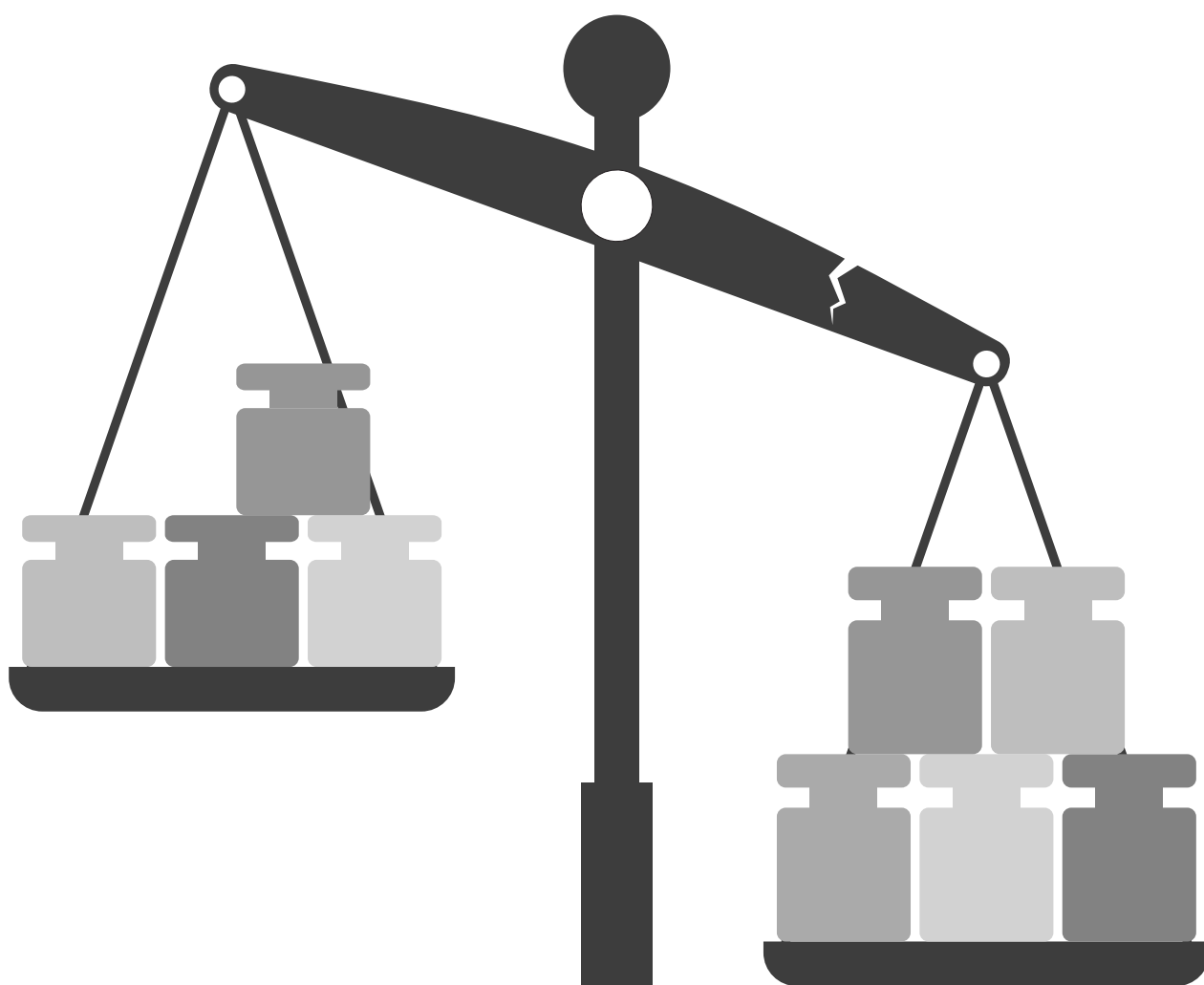
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# Chapter 5

Integrating psychological contract  
theory and leader-member exchange:  
A focus on breaches of manager  
obligations

This chapter is based on:  
De Ruiters, M., Schalk, R., Schaveling, J., & Blomme, R. J. (2016, August). Manager psychological contract breach and employee outcomes: The role of economic and social LMX. *Paper presented at the Academy of Management Meeting, Anaheim, California.*

# Abstract

This paper presents the results of three studies that examined to what extent breaches of manager obligations affected employee responses targeted at different parties within the organization (i.e., managers, coworkers, and the organization), and whether these relationships were mediated by social leader-member exchange (SLMX) and economic leader-member exchange (ELMX). Study 1 (cross-sectional,  $n = 73$ ) provided support for the mediating role of SLMX, but not of ELMX in the relationship between breaches of manager obligations and job satisfaction. These results were replicated in studies 2 (cross-sectional,  $n = 384$ ) and 3 (two-wave,  $n = 147$ ). Across studies 2 and 3, we additionally examined the mediating role of SLMX and ELMX in the relationships between breaches of manager obligations and turnover intentions, change-related organizational citizenship behavior (OCB), manager-directed citizenship behavior, and citizenship behavior directed at coworkers. Both SLMX and ELMX mediated the relationship between manager breach and manager-directed citizenship and turnover intentions. SLMX mediated the relationship between breach of manager obligations and coworker-directed citizenship behavior, whereas ELMX mediated the relationship between manager breach and change-related OCB.



## 5.1 Introduction

*“In LMX research, the exchange itself is treated as a black box. We get a description of certain features of the exchange, how high trust levels are and how parties rate the relationship’s quality – but this description is akin to telling us that the box is black or tall or flat, but not what is to be found inside. What managers and subordinates seek, offer, and obtain from each other greatly affects the value, quality, and significance of the relationship to each party and to the larger organization of which they are a part. It may be easier to have a quality relationship when a few well-specified resources are exchanged (e.g., hard work for high pay). On the other hand, an intense mentoring relationship (involving a broad set of resources) can generate high-quality LMX from both parties’ perspectives or lead to personal acrimony and outrage if one party fails to live up to the other’s expectations”*

Rousseau, 1998, p. 152

In her assessment of leader-member exchange (LMX) research, Rousseau (1998) argued that *what* is exchanged between an employee and his or her manager in a high-quality LMX relationship is unclear. To be more specific, LMX assesses the quality of the employee-manager relationship, yet it does not consider “the nature of the commitments the parties have exchanged” (Dabos & Rousseau, 2004, p. 53). According to Rousseau (1998), psychological contract theory provides a helpful tool for understanding the commitments and obligations that underlie a high-quality employee-manager relationship. Moreover, Rousseau (1998) suggested that the extent to which one party has fulfilled (or failed to fulfill) its obligations vis-à-vis the other party is an important predictor of the other party’s perception of the quality of the LMX relationship.

It has been approximately two decades since Rousseau (1998) called on researchers to integrate psychological contract theory with LMX theory. Since then, scholars have taken several approaches to address this call. A number of scholars have considered the moderating role of LMX in the relationship between psychological contract breach and employee outcomes (e.g., Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008; Lu, Shen, & Zhao 2015; Ng, Feldman, & Butts, 2014; Tang, Restubog, & Cayayan, 2007). Another approach has been to conceptualize LMX as a mediator in the relationship between psychological contract breach and employee outcomes (Restubog, Bordia, & Bordia, 2011), whereas others considered the inverse of this relationship and conceptualized LMX as a predictor of psychological contract breach (e.g., Suazo, Turnley, & Mai-Dalton, 2008) or fulfillment (Henderson, Wayne, Shore, Bommer, &

Tetrick, 2008). A somewhat different approach was employed by Chaudhry and Tekleab (2013) who considered the effects of specific sources of psychological contract fulfillment (i.e., organization and manager) on the quality of the employee-organization and employee-manager relationship.

Although previous research certainly contributes to our understanding of the interrelationship between LMX theory and psychological contract breach (or fulfillment), these studies have not been able to peer into what Rousseau (1998) has referred to as the *black box* of LMX. More specifically, in most studies that examined the connection between LMX and psychological contract breach (or fulfillment), the LMX and psychological contract constructs were based on exchanges and relationships with *different* parties. While LMX examined the quality of the dyadic relationship between an employee and his or her manager, psychological contract breach (or fulfillment) focused on the employee's perception of the extent to which the organization as a whole fulfilled its obligations.

The focus on different parties is not considered an issue in studies examining LMX as a moderator in the relationship between organization psychological contract breach and employee outcomes. That is, these studies aimed to assess whether a high-quality relationship with one's manager was able to buffer the negative consequences of breaches of organization obligations. Thus, in these studies, the objective was to examine whether the relationship with one party - one's immediate manager - could lower the negative effects of perceptions of breaches committed by *another* party - the organization (Ng et al., 2014).

In studies that examined the direct relationship between psychological contract breach and LMX, a focus on perceptions of the broader employee-organization psychological contract presents important limitations. Numerous parties, including human resource managers, top management, immediate managers, recruiters, and even organizational documents such as personnel manuals are involved in establishing and maintaining the employee's psychological contract with the organization (Bordia, Restubog, Bordia, & Tang, 2010; Chaudhry & Tekleab, 2013; Rousseau, 1995). These organizational agents are charged with conveying the obligations the *organization* has promised to provide to the employee and what the *organization* expects from the employee in return. The obligations underlying the employee-organization psychological contract are based on the organization's broader employment strategy and cover obligations including advancement opportunities, job security and performance management (Coyle-Shapiro & Shore, 2007). Due to the manager's role

in conveying organizational obligations, it might be that he or she is held (partly) responsible for some breaches of organization obligations (e.g., Dulac et al., 2008; Ng et al., 2014). However, since an employee's immediate manager "is only one of a number of agents responsible for fulfilling promises" (Dulac et al., 2008, p. 1083), he or she is not responsible for other perceived breaches of organization obligations. In contrast, manager obligations underlying the employee-manager psychological contract are under the manager's control (e.g., Coyle-Shapiro & Shore, 2007; Coyle-Shapiro & Parzefall, 2008). Examples include providing autonomy, fair supervision, flexible working hours, feedback and clearly expressed work directions (Bordia et al., 2010; Chaudhry & Tekleab, 2013; Coyle-Shapiro & Parzefall, 2008). As opposed to breaches of organization obligations, breaches of manager obligations are specifically attributed to the manager. Yet, by focusing on the broader employee-organization psychological contract, existing studies have not been able to specifically identify "what managers and employees seek, offer and obtain from each other" (Rousseau, 1998, p. 152) and how this affects the perceived quality of the employee-manager exchange relationship.

The approach employed by Chaudhry and Tekleab (2013) has come closest to understanding how the psychological contract between an employee and manager influences the perceived quality of the LMX relationship. These authors highlight the importance of distinguishing between sources of psychological contract fulfilment. They explain that the organization is held responsible for fulfilling obligations related to, for example, the amount of vacation days permitted per year and health benefits, while obligations including "a challenging assignment and promotion opportunity may be attributed to the discretionary actions of the manager" (p. 164). According to Chaudhry and Tekleab (2013), when the manager fulfils its obligations vis-à-vis the employee, this positively affects the quality of the exchange relationship between the employee and the manager (i.e., LMX). Yet, when the organization fulfils its obligations toward the employee, this positively influences the quality of the employee-organization relationship (i.e., perceived organization support). Judging from the findings presented by Chaudhry and Tekleab (2013), it can be concluded that there is a positive relationship between manager psychological contract fulfilment and LMX. However, upon close examination of the methodology employed, these results need to be interpreted with caution. The items used to assess manager psychological contract fulfilment included broader organization obligations such as long-term job security and fair pay (e.g., Baccili, 2001; Coyle-Shapiro & Shore, 2007). Moreover, exactly the same items were used to measure organizational psychological contract fulfilment. As a result, it is not sure whether the authors were truly able to capture

fulfilment of manager psychological contract obligations. Furthermore, as acknowledged by Chaudhry and Tekleab (2013), no attempt was made to examine whether the source of psychological contract fulfillment affected certain organizationally-relevant outcomes such as turnover. Moreover, the authors did not conceptualize or examine a model proposing links between psychological contract fulfillment by the manager, LMX, and employee outcomes. However, since LMX and manager psychological contract breach are both important for employee outcomes, it seems particularly important that studies addressing the linkages between these constructs also focus on how these constructs jointly affect employee attitudes and behaviors.

In the present study, we aim to build upon and extend existing work that considered the relationship between manager psychological contract breach (i.e., lack of fulfillment) and LMX. Specifically, we focus on the role of LMX as an explanatory mechanism in the relationship between perceived breaches of manager obligations and employee outcomes. In contrast to previous research, in which the organization was considered the other party to the psychological contract, we focus on the employee-manager psychological contract. By employing such an approach, we take some important steps toward understanding how the psychological contract influences perceptions of the quality of LMX. In the first study, we use a global assessment of manager psychological contract breach, while the second and third studies assess breaches of specific manager obligations. As previously mentioned, a limitation of existing studies that examined the consequences of manager psychological contract breach is that they largely focused on breaches of broader obligations as opposed to specific obligations under the manager's control (i.e., Botsford Morgan & King, 2012; Chambel, 2014; Chaudhry & Tekleab, 2013). By specifically focusing on manager obligations, we are able to address this shortcoming.

In addition to integrating psychological contract theory with LMX research, we aim to contribute to the broader social exchange literature. Conway, Kiefer, Hartley, and Briner (2014) point out that there is an increased interest in and need to understand whether actions between parties within a specific relationship affect responses toward other parties. This has been referred to as a spillover effect, "where employee evaluations about a social exchange party spill over to affect their behavior toward other parties" (Conway et al., 2014, p. 740). A few studies have examined the extent to which manager psychological contract breach affected behavior targeted at parties other than the 'guilty party'. For example, Bordia et al. (2010) examined whether perceptions of manager psychological contract breach affected discretionary behavior

directed at customers. In the present study, we aim to extend existing research by focusing on five outcome variables related to three different parties; the manager, the organization, and coworkers. Citizenship behavior directed at the manager was used to assess responses targeted at the manager, job satisfaction, turnover intentions and change-related organizational citizenship behavior (OCB) were included to assess responses directed at the organization, while citizenship behavior directed toward individuals was used to assess responses targeted at coworkers. By focusing on a broad range of variables we are able to determine whether responses to breaches of manager obligations are only targeted at the manager or whether they have more widespread consequences. If manager psychological contract breach spills over to affect innocent parties such as coworkers, this may result in significant losses for an organization in terms of performance and employee retention (Bordia et al., 2010). Consequently, it is important to further investigate the possibility of spillover effects of manager breach.

To summarize, the main research question this study aims to answer is:

*To what extent does manager psychological contract breach affect attitudes and behaviors targeted at the manager, the organization, and coworkers, and to what extent are these relationships mediated by LMX relationships?*

## **5.2 Theoretical framework and hypothesis development**

### **5.2.1 Manager psychological contract breach and employee outcomes**

The psychological contract is defined as “an individual’s beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party” (Rousseau, 1989, p. 123). In this paper, we specifically focus on the psychological contract between an employee and his or her immediate manager. According to Conway and Briner (2005), *psychological contract breach* or an employee’s perception that the other party to the exchange has not kept its promises and commitments (Morrison & Robinson, 1997) is particularly important for understanding how the psychological contract affects employee attitudes and behavior.

The relationship between psychological contract breach and employee outcomes is generally explained by social exchange theory and the norm of reciprocity (Blau, 1964,

Gouldner, 1960). According to this norm, one party to the exchange should respond in kind to the behavior received from the other party (Gouldner, 1960). In reference to psychological contract breach, this can be seen as giving tit for tat. That is, when one party to the exchange fails to fulfill promises vis-à-vis the other party, the other party will reciprocate by reducing positive attitudes or behavior or by getting even through negative actions (e.g., Ng et al., 2014; Restubog, Zagenczyk, Bordia, & Tang, 2013). Social exchange theory is particularly useful for explaining employee responses targeted at the party held responsible for the breach. Thus, based on social exchange theory, we expect that when an employee perceives that his or her manager has not fulfilled promised obligations, the employee will reciprocate by reducing discretionary behavior targeted at the manager. This leads to our first hypothesis:

*H1a: Manager psychological contract breach negatively affects manager-directed citizenship behavior.*

Since social exchange theory specifically focuses on actions and behaviors in the context of a specific exchange relationship, this theory is less suitable for explaining why breaches committed by the manager influence employee responses targeted at the organization as a whole or one's coworkers. Consequently, we draw upon work that has considered mutual dependencies among different parties within the organization (e.g., Bordia et al., 2010; Conway et al., 2014) as well as the theory of displaced aggression (Marcus-Newhall, Pedersen, Carlson, & Miller, 2000). These perspectives are particularly helpful in explaining why breaches of manager obligations also affect organization-directed and coworker-directed outcomes. Moreover, we present results of previous studies on the relationship between manager psychological contract breach and organizationally-relevant outcomes to provide further support for spillover effects.

When examining the potential spillover effects of actions of parties within one dyadic relationship, it is important to understand that the psychological contract an employee has with different parties within the organization may be "mutually dependent" (Bordia et al., 2010, p. 1579). To be more specific, whether or not an employee fulfills his or her obligations to a specific party might depend on the extent to which the employee receives resources and inducements in another exchange relationship (Bordia et al., 2010). Drawing upon this approach, in a study on potential spillover effects of organization psychological contract breach, Conway et al. (2014) suggested the following:

*“The psychological contract between the organization and employee and between the employee and the service user are mutually dependent (..) Employees may interpret psychological contract breach by the organization to mean that certain employee obligations that form part of their psychological contract with the organization, which are also simultaneously part of their psychological contracts with service users (such as courtesy towards the public), are no longer required to be fulfilled to the same degree because the organization has reneged on their side of the deal”*

Conway et al., 2014, p. 741

The mutual dependency perspective can also be applied in the context of the present study. That is, it is likely that some employee obligations that underlie the employee-manager psychological contract also underlie the employee-organization psychological contract. For example, taking initiative to improve the way in which an employee performs his or her work can be part of the employee’s psychological contract with the manager. That is, such initiatives are likely to improve the performance of the work unit, which is valuable to the manager. At the same time, such initiatives are also important to the organization’s overall performance (Choi, 2007; Grant, Parker, & Collins, 2009). Consequently, when an employee reduces such initiatives in response to a breach of manager obligations, the organization is also affected.

A few studies have examined the relationship between manager psychological contract breach or fulfillment and organizationally-relevant outcomes (e.g., Botsford Morgan & King, 2012; Chambel, 2014). Results showed that manager breach increased turnover intentions (Botsford Morgan & King, 2014), whereas fulfillment of manager obligations was positively related to job satisfaction and affective organizational commitment (Chambel, 2014). Based on the results of existing research and the mutual dependency approach, we suggest that manager psychological contract breach affects organization-directed outcomes. We have formulated the following three hypotheses:

*H1b: Manager psychological contract breach negatively affects job satisfaction*

*H1c: Manager psychological contract breach negatively affects change-related OCB*

*H1d: Manager psychological contract breach positively affects turnover intentions*

In this study, we suggest that manager psychological contract breach is likely to spill over to affect behaviors directed at coworkers. An important reason for this is based on the mutual dependency perspective, which was explained in the previous section. To illustrate, an important obligation from an employee to a manager might be to contribute to the atmosphere within a work unit and overall work unit functioning and performance. Yet, when an employee perceives that the manager has not kept promised obligations toward the employee, the employee may reciprocate by reducing one's efforts to help out coworkers and share information with them. Although this response is targeted at the manager - who is negatively affected when an employee does not contribute to the work unit - at the same time, coworkers are negatively affected as well.

In addition to the mutual dependency approach, displaced aggression can also be used to explain why responses to breaches of manager obligations may spill over to negatively affect other parties within the organization (Bordia et al., 2010; Conway et al., 2014). According to Bordia et al. (2010), "employees are not always able to direct their retaliation to the source of the frustration because the source maybe of higher status, more powerful, or not available" (p. 1583). Hence, when a manager, who is an authority figure with higher status and more power, fails to deliver on promised obligations, an employee may direct his or her anger and resentment towards others in the organization who are not in a superior position, such as coworkers.

Based on the theory of displaced aggression and the mutual dependency approach, we suggest that breaches of manager obligations negatively affect citizenship behaviors targeted at coworkers:

*H1e: Manager psychological contract breach negatively affects citizenship behavior directed at individuals.*

### **5.2.2 The mediating role of LMX relationships**

The prevalent view of LMX relationships is that these relationships exist on a continuum (Kuvaas, Buch, Dysvik, & Haerem, 2012). In high-quality LMX relationships, social aspects of the relationship including mutual trust, respect and loyalty are emphasized (Bono & Yoon, 2012; Kuvaas et al., 2012). Low quality LMX relationships, on the other hand, are said to be characterized by economic exchanges (Sparrowe & Liden, 1997). However, Kuvaas et al. (2012) recently pointed out,



“existing LMX research has exclusively measured social exchange relationships, where a lack of social rather than an economic LMX relationship is in fact investigated” (p. 757). Bono and Yoon (2012) provided a similar assessment and indicated that existing research has generally taken a one-dimensional approach to measuring relationship quality by mainly focusing on the extent to which the relationship is characterized by social aspects such as positive affect, loyalty and mutual respect.

Based on shortcomings of LMX theory and research, Kuvaas et al. (2012) suggested that social and economic exchanges are not on opposite sides of a continuum but should be considered separate constructs. These authors provided empirical support for the distinction between social LMX (SLMX) and economic LMX (ELMX) relationships. SLMX corresponds to existing conceptualizations of high-quality LMX relationships and is characterized by a long-term orientation, mutual trust, loyalty and respect (Bono & Yoon, 2012; Kuvaas et al., 2012). ELMX relationships are considered more distant and impersonal (Buch, Martinsen, & Kuvaas, 2014a) and are based on “downward influence, formal status differences and discrete agreements” (Kuvaas et al., 2012, p. 757). It is important to distinguish between these forms of employee-manager relationships since ELMX has a different effect on employee outcomes than SLMX. For example, Kuvaas et al. (2012) found that ELMX negatively affected work performance and discretionary efforts targeted at the organization, whereas the relationship between SLMX and these employee behaviors was positive. Moreover, Buch, Kuvaas, Dysvik, and Schyns (2014b) found that ELMX was negatively related to work effort, while SLMX positively affected this employee outcome. In this paper, we suggest that manager psychological contract breach affects the relationship an employee has with his or her manager, which in turn affects employee outcomes. In the following paragraphs we first explain why manager breach is likely to reduce perceptions of high-quality SLMX relationships. Next, we explain why breaches of manager obligations are likely to increase economic employee-manager exchange relationships.

Research linking manager psychological contract breach (or fulfillment) and LMX is scant. To the best of our knowledge, Chaudhry and Tekleab (2013) are the first to examine whether psychological contract fulfillment by the manager is related to LMX. Although these authors are quite likely the first to empirically examine this link, Chaudhry and Tekleab (2013) draw upon the work of Wayne, Shore, and Liden (1997) to provide support for the proposed link between these constructs. Wayne et al. (1997) proposed that resources received and provided by managers are an important predictor of the employee’s perceived quality of the employee-manager relationship.

More specifically, it was suggested that valued resources, such as providing feedback and providing opportunities for promotion, were particularly strong predictors of perceptions of high-quality LMX relationships. Drawing from this study, Chaudhry and Tekleab (2013) proposed that when a manager delivers on such valuable inducements and resources this will positively affect an employee's perception of the treatment received by one's manager and will increase trust in one's manager - characteristics that exemplify high-quality SLMX relationships. Conversely, we suggest that when a manager fails to deliver such valued resources, the employee's perception that he or she is treated well by one's manager and has a relationship with him or her that is based on trust, is likely to be reduced (Restubog et al., 2011). Therefore, when managers fail to fulfill their obligations toward the employee, this undermines a high-quality SLMX relationship, which in turn negatively affects employee attitudes and behavior (e.g., Restubog et al., 2011). Based on the aforementioned, we formulated the following hypothesis:

*H2: SLMX mediates the relationship between manager psychological contract breach and a) manager-directed citizenship, b) job satisfaction, c) change-related OCB, d) turnover intentions, and e) citizenship behavior directed at individuals.*

Although not a lot of research has been conducted on the antecedents of ELMX, a study by Buch et al. (2014a) on the mediating role of ELMX in the relationship between laissez-faire leadership and employee outcomes provides some important insights. This study is particularly useful since there are some important parallels between laissez-faire leadership and a manager's failure to fulfill psychological contract obligations. Manager behaviors that are likely to trigger employee perceptions that a manager has failed to deliver on obligations, such as being uninvolved and not providing any feedback, is likely to lead employees to "pursue quid pro quo exchanges" (Buch et al., 2014a, p. 3), which in turn reduces positive attitudes and behaviors including commitment and OCB. Consequently, we suggest that when a manager breaches its obligations toward the employee, the employee is more likely to desire a relationship that is confined to a short term focus in which he or she does something for his or her manager only when he or she knows for certain the manager will repay the employee's efforts. An ELMX relationship, in return negatively affects employee attitudes and behaviors (e.g., Buch et al., 2014a,b; Kuvaas et al., 2012). In accordance, we formulated the following hypothesis:

*H3: ELMX mediates the relationship between manager psychological contract breach and a) manager-directed citizenship, b) job satisfaction, c) change-related OCB, d) turnover intentions, and e) citizenship behavior directed at individuals.*

The hypotheses were tested across three studies. In all three studies, the mediating roles of SLMX and ELMX in the relationship between manager breach and employee outcomes were examined. Yet, the outcomes examined differed across these three studies. Furthermore, across the three studies, a different measure of manager psychological contract breach was used. By using different measures of the focal variable, we aimed to achieve constructive replication (Lykken, 1968). This type of replication refers to the use of several different “measurement procedures within the purview of the same constructive hypothesis” (Lykken, 1968, p.159). This approach has been used in studies of organizational psychological contract breach (e.g., Restubog, Hornsey, Bordia, & Esposito, 2008; Zagenczyk, Gibney, Few, & Scott, 2011) as well, in which scholars used different measures of breach (i.e., global and facet-based measures). Zagenczyk et al. (2011) suggest that when scholars find similar results across studies that have used different measurements (i.e., when findings do not change as a result of measurement approach), the generalizability of the results becomes larger. Studies 1 and 2 are single-source studies collected at one point in time. Consequently, common method variance (CMV) might be an issue (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). To address these concerns, in both studies Harman’s single factor test was conducted using confirmatory factor analysis (CFA). Moreover, following recommendations of Conway and Lance (2010), care was taken to establish construct validity of the measurements scale through the use of CFA. In study 3, we further aimed to reduce concerns about CMV by employing a two-wave design.

In the following sections, for each study the methodology and results are discussed separately. Additionally, a brief discussion is provided for each study. After having presented each study separately, a general discussion and conclusion is provided in which the results across the studies are synthesized and the implications for theory, research and practice are indicated.

## 5.3 Study 1

In this first study, we set out to examine the relationship between manager psychological contract breach and manager-directed citizenship (hypothesis 1a), and manager breach and job satisfaction (hypothesis 1b). Moreover, we aimed to examine the mediating role of SLMX and ELMX in the relationship between manager breach and these outcomes (hypotheses 2a and 2b, and 3a and b).

### 5.3.1 Method

#### 5.3.1.1 Sample and procedure

This study included employees from a regional provider of social care in the Netherlands. Two hundred and sixty-five social workers received an invitation to fill out an online questionnaire. Seventy-three respondents completed the survey (response rate = 27,5%). The vast majority (89%) of the participants was female. The average age was 44.62 years, ranging from 26 to 63 years. The majority of the sample (86.3%) had a college Bachelor's degree, and almost 14% had a university degree. The average tenure with the organization was 9.78 years. The average tenure with one's direct superior was 5.35 months, ranging from 1 to 36 months.

#### 5.3.1.2 Measures

The items of all the scales used in this study were measured on a scale from 1 (strongly disagree) to 7 (strongly agree).

##### *Manager psychological contract breach*

To measure manager psychological contract breach, the five-item global measure of mentoring breach that was devised by Haggard (2012) was used. Since we were interested in perceptions of manager breach, we replaced 'mentor' with 'manager'. An example item includes 'My manager has done a good job of meeting his/her obligations to me'. Three items were positively worded; we recoded these items such that a higher score on this scale represented breach.

##### *ELMX*

To measure ELMX, we used the four-item measure developed by Kuvaas et al. (2012). An example item is 'My relationship with my manager is mainly based on authority; he or she has the right to make decisions on my behalf and I do what I am told to do'.

## **SLMX**

To measure SLMX, we used the four-item measure developed by Kuvaas et al. (2012). An example item is 'I try to look out for the best interest of my manager because I can rely on my manager to take care of me'.

## ***Manager-directed citizenship behavior***

Citizenship behavior directed at one's manager was measured with a five-item scale (Rupp & Cropanzano, 2002). An example item includes 'I pass along work-related information to my manager'. Response categories ranged from 1 = never, to 5 = always.

## ***Job satisfaction***

To measure job satisfaction, we used the four-item measure designed by Mossholder, Setton, and Henagan (2005). An example item includes 'All in all, I am satisfied with my job'.

## ***Control variables***

In response to Dutch rules and regulations, approximately five months prior to the data collection a number of social workers were transitioned to a so-called community team. In the current sample, 71.2% of employees belonged to a community team. Social workers that were placed in community teams experienced important changes to the way in which they had to perform their tasks as well as the way in which and by whom they were managed. Since these changes may impact the research results, it is important to control for this transition. We used a dichotomous variable to measure whether employees were part of a community team: 'Do you belong to a community team?' (0 = no, 1 = yes).

We also controlled for employee-manager contact frequency. Buch et al. (2014a) and Kuvaas et al. (2012) indicate that opportunities to communicate and interact with one's manager may affect LMX. In fact, previous research (Kacmar, Witt, Zivnuska, & Gully, 2003) has shown that frequency of employee-manager communication is significantly and positively correlated with LMX ( $r = .47, p < .01$ ). Employee-manager contact frequency was measured with one-item drawn from Kacmar et al. (2003), 'How often are you in contact with your current manager?'. Responses could be given on a 7-point scale (1 = once or twice in the last six months, 2 = once or twice every one to three months, 3 = once or twice every month, 4 = once or twice every week, 5 = three to five times every week, 6 = once or twice every day, 7 = many times daily). To ease

interpretation this scale was later recoded such that 0 = once or twice a month or less, and 1 = once or twice a week or more.

### 5.3.1.3 Confirmatory factor analyses

We performed a series of CFAs to assess the distinctiveness of the measurement scales. Due to the small sample size and relatively large number of parameters that needed to be estimated, we performed separate CFAs for the independent and mediator variables and separate CFAs for the two outcome variables. Performing separate CFAs when the sample size is small is not uncommon in psychological contract research (e.g., Restubog et al., 2008).

First, we performed a series of CFAs to examine the distinctiveness of manager breach, SLMX and ELMX. There are numerous goodness-of-fit-statistics that researchers can use in CFA. Common indices include the Normed Fit Index (NFI) and the root mean square error of approximation (RMSEA). However, the NFI is likely “to underestimate fit in small samples” (Byrne, 2010, p. 78), whereas RMSEA “too often falsely indicates a poor fitting model” when sample size and degrees of freedom are small (Kenny, Kaniskan, & McCoach, 2015, p. 486). Given this study’s small sample size ( $N = 73$ ) and small degrees of freedom (ranging from 41 to 44), NFI and RMSEA are not preferred (e.g., Hu & Bentler, 1999). Instead, we used the Comparative Fit Index (CFI) and the Incremental Fit Index (IFI); both indices take sample size into account and the IFI also takes into account the degrees of freedom (Byrne, 2010). Moreover, we report the  $\chi^2$  statistic,  $\chi^2/df$  and the standardized root mean square residual (SRMR). The following cut-off criteria were used to assess model fit. CFI and IFI should be at least .90 (Marsh, Hau, & Wen, 2004), SRMR should be “close to .08” (Hu & Bentler, 1999, p. 27), and values for  $\chi^2/df$  should not exceed 5. According to Hair, Black, Babin, and Anderson (2010), a value below 2 for  $\chi^2/df$  indicates a very good fit, and values between 2 and 5 are acceptable.

Based on the results of the initial CFA with thirteen items (5 items for manager breach, 4 items for ELMX, and 4 items for SLMX), we found that the standardized factor loading of one item from the ELMX scale and one item from the SLMX scale did not meet the threshold of .50 (Hair et al., 2010). These items were deleted. Results of the CFA with the remaining 11 items showed that the three-factor model had a good fit with the data  $\chi^2(41, n = 73) = 70.991, p < .01, \chi^2/df = 1.731, CFI = .93, IFI = .93$ , and  $SRMR = .0857$ . Furthermore, the average variance extracted (AVE) of all three constructs were at least .50 (Hair et al., 2010), namely MPCB = .64, SLMX = .59, and ELMX = .50. The

three-factor model was compared to four alternative models (see Table 5.1); the three-factor model had the best fit.

Table 5.1

*Confirmatory factor analyses study 1 - manager breach, SLMX, and ELMX*

Model	$\chi^2$	df	$\chi^2/df$	CFI	IFI	SRMR
Three-factor model: MPCB, SLMX, and ELMX	70.991	41	1.731	.93	.93	.0857
Two-factor model: MPCB + SLMX, and ELMX	96.052	43	2.234	.87	.88	.0957
Two-factor model: MPCB + ELMX, and SLMX	115.538	43	2.687	.82	.83	.1208
Two-factor model: SLMX + ELMX, and MPCB	119.841	43	2.787	.81	.82	.1269
One-factor model: All items loaded on one factor	139.350	44	3.167	.77	.78	.1266

N = 73. MPCB: Manager psychological contract breach, SLMX: Social leader-member exchange, ELMX: Economic leader-member exchange, CFI: Comparative fit index, IFI: Incremental fit index, SRMR: Standardized root mean square residual.

Next, a CFA was performed to assess the validity of the outcome variables. Results of the CFA with nine items (5 items for manager-directed citizenship and 4 items for satisfaction) showed a poor fit with the data,  $\chi^2(26, n = 73) = 61.818, p < .001, \chi^2/df = 2.378, CFI = .86, IFI = .86$ , and  $SRMR = .0910$ . An examination of the standardized factor loadings showed that three of the five manager-directed citizenship items were below the .50 threshold. Since the majority of the items had to be deleted from this scale, it was decided to not include this scale in further analyses. That is, the scale did not seem to fully reflect the manager-directed citizenship construct. The CFA with the four job satisfaction scales showed a good fit with the data,  $\chi^2(2, n = 73) = 12, p < .01, \chi^2/df = 6.000, CFI = .94, IFI = .94$ , and  $SRMR = .0491$ . The AVE of this scale was .67.

#### 5.3.1.4 Analysis strategy

Based on the results of the CFA, it was decided to not include the manager-directed citizenship behavior scale in further analyses. Consequently, we were only able to test hypotheses 1b, 2b, and 3b. We used regression analyses to test hypothesis 1b and multiple mediation analyses to test hypotheses 2b and 3b. First, we examined the direct relationship between manager breach and job satisfaction (hypothesis 1b). Next, we conducted multiple mediation analyses to examine whether this relationship was mediated by SLMX (hypothesis 2b) and ELMX (hypothesis 3b). We used multiple mediation analyses as opposed to single mediation analyses as the presence of other mediators may change the effect of a specific mediator (MacKinnon, Cox, & Biral, 2012; Preacher & Hayes, 2008). We examined the significance of the a-paths (relationships between predictor and mediators), the b-paths (relationship between

mediators and outcome) and the ab paths (or mediated effects). We used the Bayesian Markov chain Monte Carlo (MCMC) procedure with a noninformative prior (Biesanz, Falk, & Savalei, 2010) to test the significance of the mediated effects. According to Koopman, Howe, Hollenbeck, and Sin (2015) this method outperforms bootstrapping methods in small samples (20-80 cases). We used the program developed by Biesanz and colleagues (2010) to calculate the 95% credible intervals for the hierarchical Bayesian MCMC method.

### 5.3.2 Results

The means, standard deviations, coefficient alphas and correlations among the study variables are depicted in Table 5.2.

Table 5.2

*Descriptive statistics study 1*

	M	SD	1.	2.	3.	4.	5.	6.
1. Community team <sup>a</sup>	1.71	.46						
2. Contact frequency <sup>b</sup>	.41	.50	.35**					
3. MPCB	2.55	1.08	.15	.06	(.89)			
4. SLMX	4.94	1.19	-.07	.05	-.70**	(.80)		
5. ELMX	2.93	1.13	-.36**	-.16	.15	-.01	(.74)	
6. Job satisfaction	5.31	1.06	-.21	-.07	-.34**	.40**	.08	(.89)

N = 73, \*\*p < .01, reliability coefficients are depicted on the diagonal in parentheses, <sup>a</sup>Community team: 1 = no, 2 = yes. <sup>b</sup>Contact frequency: 0 = once or twice a month or less, 1 = once or twice a week or more, MPCB = manager psychological contract breach, SLMX = social leader-member exchange, ELMX = economic leader-member exchange.

We hypothesized that manager breach would be negatively related to job satisfaction and that this relationship would be mediated by SLMX and ELMX. The results of the analyses used to test these hypotheses are depicted in Table 5.3. Results provide support for hypothesis 1b. There is a significant negative relationship between manager breach and job satisfaction ( $B = -.31$ ,  $p < .05$ ). Furthermore, results provide support for hypothesis 2b, in which it was suggested that SLMX mediates the relationship between manager breach and job satisfaction. Manager breach is negatively related to SLMX ( $B = -.78$ ,  $p < .05$ ), SLMX is positively related to job satisfaction ( $B = .30$ ,  $p < .05$ ), and the mediated effect is significant since the 95% Bayesian credible interval does not include zero (mediated effect =  $-.23$ , LLCI  $-.4675$ , ULCI  $-.0143$ ).



Table 5.3

*Manager Breach, SLMX, ELMX and Job Satisfaction Study 1*

Multiple Mediation Model				
Manager breach, SLMX, ELMX and job satisfaction				
Direct effects	B	SE	t	p
SLMX as DV				
Constant	6.794	.439	15.473	.000
Community team <sup>a</sup>	.024	.240	.100	.920
Contact frequency <sup>b</sup>	.201	.219	.919	.361
MPCB (path A)	-.777	.095	-8.185	.000
Model R <sup>2</sup> = .498, p = .000				
ELMX as DV				
Constant	3.999	.535	7.479	.000
Community team	-.922	.293	-3.151	.002
Contact frequency	-.100	.267	-.377	.707
MPCB (path A)	.215	.116	1.858	.067
Model R <sup>2</sup> = .170, p = .005				
Job satisfaction as DV				
Constant	4.569	1.099	4.157	.000
Community team	-.352	.294	-1.197	.236
Contact frequency	-.052	.252	-.205	.839
MPCB (path C')	-.083	.158	-.523	.603
SLMX (path B)	.298	.140	2.130	.037
ELMX (path B)	.036	.115	.315	.754
Model R <sup>2</sup> = .199, p = .010				
Job satisfaction as DV				
Constant	6.736	.512	13.145	.000
Community team	-.378	.280	-1.350	.182
Contact frequency	.005	.255	.018	.986
MPCB (path C)	-.306	.111	-2.765	.007
Model R <sup>2</sup> = .139, p = .015				
Indirect effect SLMX	Effect	Lower level CI		Upper Level CI
Bayesian MCMC 95%CI	-.2315	-.4675		-.0143
Indirect effect ELMX	Effect	Lower level CI		Upper Level CI
Bayesian MCMC 95%CI	.0077	-.0492		.0726

N = 73. SLMX = Social leader-member exchange, ELMX = Economic leader-member exchange, MPCB = manager psychological contract breach, DV = Dependent variable, CI = Confidence interval, <sup>a</sup>Community team: 1 = no, 2 = yes.

<sup>b</sup>Contact frequency: 0 = once or twice a month or less, 1 = once or twice a week or more.

Results suggest that SLMX fully mediates the relationship between manager breach and job satisfaction. That is, when SLMX is included in the model, the relationship between manager breach and job satisfaction is no longer significant ( $B = -.08$ ,  $p > .05$ ).

The results do not provide support for hypothesis 3b, which suggested that ELMX mediates the relationship between manager breach and job satisfaction. There is no significant relationship between manager breach and ELMX ( $B = .22, p > .05$ ) or between ELMX and job satisfaction ( $B = .04, p > .05$ ).

### ***Additional analyses***

Based on existing literature, we suggested that dimensions of LMX would mediate the relationship between manager breach and employee outcomes. However, others (e.g., Henderson et al., 2008) have suggested that LMX influences perceptions of breach which in turn influences employee outcomes. Consequently, we performed an additional analysis in which we considered manager breach to mediate the relationship between SLMX and employee outcomes. The table that reports this analysis is presented in Appendix C.1.

Although path a (relationship between SLMX and MPCB) was significant ( $B = -.63, p < .05$ ), path b (relationship between manager breach and job satisfaction when SLMX is included in the model) was not significant ( $B = -.07, p > .05$ ). Since path b was not significant, manager breach did not mediate the relationship between SLMX and job satisfaction. Additionally, the Bayesian credible interval goes through zero (mediated effect = .0437, LLCI -.1483, ULCI .2395)

### **5.3.3 Discussion**

The results of the first study provide support for the negative relationship between manager psychological contract breach and job satisfaction. Hence, when a manager fails to keep promissory-based obligations, employees are likely to respond with lower levels of job satisfaction. Furthermore, the results show that manager breach affects job satisfaction through reduced levels of SLMX. This study does not provide support for the hypothesis that manager breach leads to a more impersonal relationship between an employee and manager, or that ELMX in turn negatively affects job satisfaction. An important reason for the latter may be the low average score on ELMX ( $mean = 2.93$  on a seven-point scale). It might be that in samples in which there is a higher occurrence of ELMX, these types of employee-manager relationships have a stronger effect on employee attitudes. One reason why we did not find a significant positive relationship between manager breach and ELMX might be the small sample size (the non-significant correlation was in the expected direction,  $r = .15, p > .05$ ). Alternatively, it might be that only specific types of manager breaches affect ELMX.

Currently, there is very little knowledge on the antecedents of ELMX (Buch et al., 2014a). The global manager breach measure used in this study did not allow us to examine whether different facets of manager breach may differentially affect ELMX and SLMX relationships.

There were a number of limitations to this study. First, the sample size was small and the data was collected from one organization. Moreover, since the majority of the manager-directed citizenship behavior items had to be removed, we decided to exclude this variable from further analyses. Therefore, we were not able to examine hypotheses 1a, 2a, and 3a. Furthermore, the vast majority of our sample was female. Additionally, we adopted a cross-sectional design and data was collected from a single source. Moreover, due to the recent changes (including reporting to a new manager) that affected more than half of the social workers in our sample, the dyadic tenure with one's manager was quite low (mean = 5.35 months). Although Liden, Wayne, and Stilwell (1993) found that "LMXs develop very early in the life of the dyad" (p. 670), the sample was mainly limited to employees who had worked with their manager for less than one year. Therefore, it is important to conduct additional research among a more diverse group of employees in terms of gender, industry and dyadic tenure. Finally, due to the small sample size and large number of parameters, it was not possible to test the hypotheses using structural equation modelling (SEM). Although we conducted multiple mediation analyses, it is important to replicate this study using SEM analyses.

## 5.4 Study 2

In Study 2, we constructively replicated and extended Study 1. As stated above, a limitation of our first study was the homogeneity of the sample in terms of gender, occupation, and dyadic tenure. Another limitation was the small sample size. In Study 2, we aimed to overcome these limitations by collecting a larger sample among a heterogeneous group of employees. To achieve constructive replication, we used a different measure of manager breach. Moreover, we included additional measures of employee attitudes and behavior. More specifically, we examined the relationship between manager breach and manager-directed citizenship behavior, job satisfaction, change-related OCB (Hypotheses 1a – c). Moreover, we examined whether these relationships were mediated by SLMX (Hypotheses 2a – c) and ELMX (Hypotheses 3a – c).

## 5.4.1 Method

### 5.4.1.1 Sample and procedure

We employed several strategies to recruit potential participants. We sent an email to current part-time students (MSc in Management and MBA) and asked them whether they would be willing to participate in a research study on work relationships between employees and their immediate manager. Additionally, we asked students to forward our call for research to colleagues and the HR department. Moreover, we used our contacts (through personal and alumni networks) to get in touch with management representatives and HR managers from different organizations and call their attention for our research. As an incentive, we offered to provide them with the research results in the form of a business report to be sent to participating organizations. Since our research focuses on the employee-manager psychological contract and LMX relationships, it was essential that employees had a specific manager to whom they reported. To ensure that the questionnaire could not be distributed to employees who did not meet our criterion for inclusion, we used personalized links to the questionnaire. The use of personalized links also enabled us to calculate the response rate.

In total, we invited 652 participants to fill out an online questionnaire. Three hundred and eighty-four employees completed the questionnaire (response rate = 58.9%). Slightly more than half of the participants (53.6%) were female. The average age was 43.86, ranging from 18 to 65 years (four participants did not indicate their age). Of the 382 respondents who indicated the level of education completed, 6% had obtained a high school diploma, 28.80% had completed vocational education (preparatory and senior secondary), 43.19% had obtained a university of applied sciences degree (Bachelor's and Master's degrees at this level), and 21.99% had completed a university education. The sample was heterogeneous as respondents worked in different professions (e.g., account management, consultancy, healthcare, IT, education). Moreover, in contrast to Study 1, respondents were more diverse regarding tenure with their managers, which ranged from 1 month to 14 years, with an average of 2.24 years.

#### 5.4.1.2 Measures

##### *Manager psychological contract breach*

Since we did not find support for the influence of global perceptions of manager breach on ELMX in the first study, we wanted to examine whether ELMX was affected by breaches of specific dimensions of manager obligations. To this end, we set out to use a facet-based measure of manager psychological contract breach. Yet, to the best of our knowledge, a facet-based measure of manager breach has not yet been developed or validated. Baccili (2001) did, however, provide an extensive list of manager obligations that we could draw upon. Although she grouped these obligations in different categories, these categories have not been subjected to exploratory factor analysis (EFA) or CFA. Moreover, Baccili's (2001) categories do not fit logically within an existing psychological contract framework. According to Baccili (2001, p. 182), the most important manager obligations can be grouped according to six themes: "1) developing a positive, open, trusting, and respectful work atmosphere, 2) ensuring competent leader-supervisors, 3) managing performance and rewards, 4) providing career development, 5) providing a good job, and 6) managing group resources". These themes were an important starting point for the selection of items. Hence, we included 22 items that tapped each of these six themes. Respondents received the following instructions<sup>III</sup>: *Indicate to what extent your immediate manager has fulfilled his or her promises to you. These promises could have been made explicitly (verbally or in writing) or implicitly (you may have inferred them from your manager's behavior or other statements). Please respond on a scale from 1 (my manager has not fulfilled this promise to me at all) to 7 (my manager has completely fulfilled this promise to me).*

Although we ensured that items tapped each of the six themes, since these six themes have not been supported theoretically or empirically, we found it important to subject these items to an EFA. Since our sample was large enough, we randomly split the sample and conducted both an EFA and a CFA. When splitting the sample, we took into account the preferred 10:1 subject-to-item ratio (Hair et al., 2010), and requested that 220 cases were randomly selected from the 384 cases. The CFA was conducted on the remaining 164 cases. It is important to note that all other analyses were conducted on the complete sample (n=384).

We performed an EFA using Maximum Likelihood and oblique rotation (Direct Oblimin, delta = 0). We used this type of rotation as we expected the factors to correlate. We did not force the items to load on six specific factors, as we had no reason to assume, either theoretically or empirically, that the 22 items would be represented

by six underlying factors. Results of the initial factor analysis pointed to a two-factor solution. That is, two factors had eigenvalues greater than 1. The scree plot indicated a bend at the second and third factor, which suggests either a one or two-factor solution. The explained variance of the first factor was 48.1%, and the second factor explained an additional 5.8% of the variance, leaning towards a two-factor solution. EFA is an iterative process (Hair et al., 2010), and hence a number of consecutive steps were taken to come to the final solution. These steps are summarized next. On consecutive steps we eliminated a number of items due to cross loadings (loadings of .30 or higher on both factors). In total, eight items were deleted due to cross loadings. One item was deleted due to a low factor loading (.338). Factor loadings of .40 are considered acceptable based on our sample size (Hair et al., 2010), but factor loadings close to or above .70 are preferred since they are “indicative of a well-defined structure” (p. 117). Since six items of factor one and five items of factor two had factor loadings above .60, we decided to take a somewhat more conservative approach and we deleted items with loadings below .60. As a result, two items (one item from each factor) were deleted. According to the results of these exploratory analyses, manager breach can be distinguished in two factors. The first factor refers to breach of socio-emotional obligations (e.g., allowing employees to participate in decisions that have an important impact on their work). The second factor encompasses items pertaining to a breach of strategy and work facilitation obligations (e.g., ensuring expertise in the areas needed to effectively manage the work). Together, these factors explain 58.3% of the variance. The coefficient alpha of breach of socio-emotional obligations is .90; the coefficient alpha of breach of strategy and work facilitation obligations is .85.

Although the results of the EFA do not support the six themes suggested by Baccili (2001), the results fit well with existing typologies of psychological contracts and manager behaviors. That is, the dimension ‘breach of socio-emotional manager obligations’ is similar to measures assessing breach of socio-emotional organizational obligations (Bal, De Lange, Zacher, & Van der Heijden, 2013). Although organizational obligations are broader (e.g., flexible working scheme) while manager obligations are more specific (e.g., the manager allows flexibility in implementing work schedule practices so that the employee can balance work and personal life), the essence is similar: receiving socio-emotional support from the other party to the agreement. The items encompassing the second dimension are related to strategy formulation and work facilitation behaviors (Antonakis & House, 2014). The former includes behaviors that are aimed at supporting the vision and mission, whereas the latter refers to providing resources and support for goal attainment (Antonakis & House, 2014). When we take a closer look at the items from Baccili’s (2001) themes relating to

ensuring competent leader-supervisors (which includes items such as strategy formulation), managing performance and rewards (which includes items such as translating company goals into individual goals for employees) and providing a good job (which includes an item related to creating a clear understanding of the work content), it makes sense that these items load onto the same instead of separate factors. Each item clearly exemplifies a strategy or work facilitation obligation.

We conducted a CFA to validate the results of the EFA. Although the sample size ( $n = 164$ ) was large enough to adhere to the 10:1 subject-to-item ratio, fit indices such as TLI and RMSEA are not preferred in samples smaller than 250 (Hu & Bentler, 1999). Therefore, similar to Study 1, we report the  $\chi^2$  statistic,  $\chi^2/df$ , CFI, IFI, and SRMR. We used the same cut-off criteria as used in Study 1; CFI and IFI at least .90, SRMR < .08, and  $\chi^2/df < 5$ .

One item (allows flexibility in implementing work schedule practices so that employees can balance work and personal life) had a standardized factor loading below .70 and was deleted. Although factor loadings between .50 and .70 are acceptable as long as CR and AVE reach .70 and .50, respectively (Hair et al., 2010), in this phase of measurement validation we deemed it necessary to strictly adhere to the .70 threshold. Results of the CFA on the remaining 10 items showed an acceptable fit with the data  $\chi^2(34, n = 164) = 125.789, p < .001, \chi^2/df = 3.70, CFI = .91, IFI = .92$ , and  $SRMR = .0506$ . Moreover, the two-factor model fit the data better than a one-factor model  $\chi^2(35, n = 164) = 196.852, p < .001, \chi^2/df = 5.624, CFI = .85, IFI = .85$ , and  $SRMR = .0680$ , and the chi-square difference test additionally supports the two-factor structure,  $\chi^2(1) = 71.06, p < .05$ .

### ***SLMX and ELMX***

We used the same four-item measures (Kuvaas et al., 2012) to assess SLMX and ELMX as used in Study 1.

### ***Job satisfaction***

To measure job satisfaction, we used the same four-item measure (Mossholder et al., 2005) as used in Study 1.

### ***Manager-directed citizenship behavior***

Manager-directed citizenship behavior was measured with a five-item scale (Rupp & Cropanzano, 2002). An example item includes 'I pass along work-related information to my manager'. Response categories ranged from 1 = never, to 5 = always.

### ***Change-related OCB***

Change-related OCB was measured with a four-item measure developed by Choi (2007); this scale specifically focuses on change-related behaviors. An example item includes 'I often suggest work improvement ideas to others'. Responses could be provided on a scale from 1 = strongly disagree to 5 = strongly agree.

### ***Control variable***

Similar to Study 1, we controlled for employee-manager contact frequency. We used the same question as used in Study 1, 'How often are you in contact with your current manager?'. To ease interpretation, we recoded this variable in such a way that 0 represented 'once or twice a month or less' and 1 'once or twice a week or more'.

#### **5.4.1.3 Confirmatory factor analysis**

We performed CFAs to evaluate our measurement model. Moreover, we assessed discriminant validity of the constructs by comparing the AVEs of each construct to their shared variance with the other constructs in the model (Farrell, 2010; Hair et al., 2010).

Results of the initial analysis with 31 items (5 items for socio-emotional manager breach, 5 items for strategy and work facilitation manager breach, 4 items for SLMX, 4 items for ELMX, 4 items for job satisfaction, 5 items for manager-directed citizenship and 4 items for change-related OCB) indicated the need to make some changes to our measurement model. First, results showed that one item from the SLMX scale and one item from the change-related OCB scale had a standardized factor loading below the .50 threshold (Hair et al., 2010). These two items were deleted. Next, manager-directed citizenship had an AVE of .48, which is below the threshold of .50 (Hair et al., 2010). After deleting the item with the lowest loading, AVE increased to .52. Furthermore, we found that three of the four job satisfaction items had high loadings (ranging from .72 to .89), whereas one item had a considerably lower loading (.52), suggesting that it may not fit very well with the rest of the items in the scale. In fact, results from a reliability analysis showed that the item-to-total correlation of this specific item did not exceed .50, which is the rule of thumb suggested by Hair et al. (2010). We therefore deleted this item. Next, we compared the AVEs to the shared variance among the constructs. There was evidence of some discriminant validity issues for SLMX, socio-emotional manager breach and strategy and work facilitation manager breach. When the AVE is lower than the shared variance with another construct, this essentially means that the correlation between the construct and its observed variables is lower



than the correlation with another construct (Farrell, 2010; Hair et al., 2010). Therefore, we first examined AVE values and factor loadings. Although the AVE of SLMX reached the .50 threshold (.51) and the factor loadings were at least .50, one item did not reach the preferred value of .70 (Hair et al., 2010). After this item had been deleted, AVE increased to .58. All factor loadings of the items of both manager breach dimensions were .70 or above. Farrell (2010) suggested that researchers conduct EFA to examine whether discriminant validity issues are caused by cross-loading items. We examined the remaining items of the three constructs and found that two socio-emotional manager breach items had cross-loadings. After the removal of these items, there were no more problems with discriminant validity. The final measurement model consisted of 7 factors and 24 observed variables. We used the following cut-off criteria to assess model fit: CFI, IFI and TLI at least .90 (Marsh et al., 2004), SRMR < .08 (Hu & Bentler, 1999), RMSEA < .06 (Hu & Bentler, 2006), and  $\chi^2/df < 5$  (Hair et al., 2010). Results showed that the 7-factor model had an adequate fit with the data,  $\chi^2(231, n = 384) = 574.788, p < .001, \chi^2/df = 2.488, CFI = .92, IFI = .93, TLI = .91, SRMR = .0599,$  and  $RMSEA = .062$ . This model was compared to six alternative models (see Table 5.4); the 7-factor model had the best fit. Although the 7-factor model had the best fit, there was evidence of latent variable multicollinearity among the exogenous variables (socio-emotional manager breach and strategy and work facilitation manager breach). The correlation between these variables was .70,  $p < .001$ . Grewal, Cote, and Baumgartner (2004) point out that latent variable multicollinearity among exogenous variables (correlation between .60 and .80) often leads to type II errors. Moreover, according to Marsh, Dowson, Pietsch, and Walker (2004) latent variable multicollinearity can lead to misleading or strange results. Examples include changes in magnitude or sign of the regression coefficients (Can, van de Schoot, & Hox, 2015). When we compared the measurement model to the structural model, we found that while the correlation between strategy and work facilitation manager breach and ELMX was non-significant ( $-.08, p > .05$ ) in the measurement model, the regression coefficient became significant and negative in the structural model ( $-.42, p < .05$ ). One way to overcome latent variable multicollinearity is to create a higher-order construct. A 6-factor model consisting of a higher-order manager breach construct also showed adequate fit with the data,  $\chi^2(235, n = 384) = 600.527, p < .001, \chi^2/df = 2.555, CFI = .92, IFI = .92, TLI = .91, SRMR = .0664,$  and  $RMSEA = .064$ . It is important to note that a model with a higher-order factor will not have a better fit than an equivalent model without the higher-order factor, i.e., the first-order model (Ntoumanis & Vazou, 2005). Yet, when the fit of a model with the second-order factor is “not much worse compared to the fit of the first-order model” (Ntoumanis & Vazou, 2005, p. 443), the second-order

model can be used. Based on the results reported in Table 5.4, we therefore proceeded with the 6-factor model consisting of the higher-order manager breach scale.

#### 5.4.1.4 Analysis strategy

We suggested that SLMX and ELMX would mediate the relationships between manager breach and manager-directed citizenship behavior, job satisfaction, and change-related OCB. To test these hypotheses, we used structural equation modeling (SEM) in AMOS 23.

**Table 5.4**  
*Confirmatory Factor Analyses Study 2*

Model	$\chi^2$	df	$\chi^2/df$	CFI	IFI	TLI	SRMR	RMSEA
Seven-factor model	574.788	231	2.488	.92	.93	.91	.0599	.062
Six-factor model (5 first order factors, 1 higher-order MPCB)	600.527	235	2.555	.92	.92	.91	.0664	.064
Six-factor model (socio-emotional + strategy & facilitation breach)	806.315	237	3.402	.87	.88	.85	.0727	.079
Six-factor model (SLMX + ELMX)	919.204	237	3.878	.85	.85	.82	.1194	.087
Six-factor model (OCBM + OCBO)	796.746	237	3.362	.88	.88	.86	.0652	.079
Five-factor model (SLMX + socio-emotional + strategy & facilitation obligations)	916.674	242	3.788	.85	.85	.83	.0793	.085
One-factor model	3018.536	252	11.978	.39	.39	.33	.1676	.169

N = 384. MPCB = manager psychological contract breach, SLMX = social leader-member exchange, ELMX = economic leader-member exchange, OCBM = manager-directed OCB, OCBO = organization-directed OCB, CFI = comparative fit index, IFI = incremental fit index, TLI = Tucker-Lewis index, SRMR = standardized root mean square residual, RMSEA = root mean square error of approximation.

First, we examined the direct relationships (without consideration of ELMX and SLMX) between manager breach and the three outcomes. Next, we examined whether these relationships were mediated by ELMX or SLMX. We did this by examining the significance of the a-path (relationship between predictor and mediator), the b-path (relationship between mediator and outcome) and the ab-path (or mediated effect). To test the significance of the mediated effect, we calculated the 95% credible intervals based on the hierarchical Bayesian MCMC method. Moreover, we examined whether there was full or partial mediation by comparing a full mediation model with partial

mediation models in which we included direct paths from manager breach to the outcomes.

### 5.4.2 Results

In Table 5.5, the construct reliabilities and average variance extracted (AVE) for each latent variable is depicted as well as the standardized correlations and the shared variances among the latent constructs.

**Table 5.5**

*Construct reliabilities, average variance extracted, standardized correlations and shared variances among the constructs*

	CR	1.	2.	3.	4.	5.	6.
1. Higher-order MPCB	.84	(.719)	.578	.01	.06	.14	.03
2. SLMX	.73	-.76***	(.581)	.02	.14	.16	.02
3. ELMX	.83	.12	-.15*	(.561)	.08	.00	.09
4. Manager-directed citizenship	.81	-.25***	.38***	-.28***	(.516)	.004	.36
5. Job satisfaction	.87	-.37***	.40***	.003	.06	(.690)	.00
6. Change-related OCB	.84	-.17**	.15*	-.30***	.60***	.02	(.630)

N = 384. MPCB = manager psychological contract breach, SLMX = Social leader-member exchange, ELMX = Economic leader-member exchange. OCB = Organizational citizenship behavior, CR = Construct reliability. The Average Variance Extracted (AVE) is displayed on the diagonal in parentheses. The values below the diagonal are standardized correlation coefficients among the latent variables. The values above the diagonal are squared standardized correlation coefficients (i.e., shared variance among latent constructs). \*p < .05, \*\*p < .01, \*\*\*p < .001

Judging from the values presented in Table 5.5, there is general support for the discriminant validity of the latent variables. That is, the AVE of all constructs is larger than the shared variance (squared multiple correlations depicted above the diagonal) between each construct and the other latent variables in the study (Farrell, 2010; Hair et al., 2010). However, the shared variance between SLMX and higher-order manager breach is only a bit smaller than the AVE of SLMX (.578 versus .581), pointing to potential issues with discriminant validity. Yet, a model in which SLMX, socio-emotional and strategy & work facilitation manager breach were taken together as one factor had a worse fit than a six-factor model with one-higher order manager breach factor and a separate SLMX construct (see Table 5.4), providing support for the distinctiveness of SLMX and manager breach.

The results of the SEM analyses provided support for Hypotheses 1a, b, and c. Manager breach was significantly negatively related to manager-directed citizenship

behavior ( $\gamma = -.20, p < .05$ ), job satisfaction ( $\gamma = -.34, p < .05$ ), and change-related OCB ( $\gamma = -.15, p < .05$ ). Although the overall fit of the direct effects model was acceptable,  $\chi^2(146, n = 384) = 490.266, p < .001, \chi^2/df = 3.358, CFI = .90, IFI = .90, TLI = .88, SRMR = .1017$ , and  $RMSEA = .078$ , some of the indices were mediocre, such as SRMR and TLI, suggesting that the data did not fit the model very well and that the direct relationships were not enough to explain the relationships underlying our data. Therefore, to examine whether SLMX and ELMX mediated the relationships between manager breach and the three outcomes, we tested a full mediation model.

Overall, the full mediation model had a satisfactory fit with the data,  $\chi^2(263, n = 384) = 717.432, p < .001, \chi^2/df = 2.728, CFI = .90, IFI = .90, TLI = .89, SRMR = .0872$ , and  $RMSEA = .067$ . However, modification indices showed that the model could be improved by allowing the error term of manager-directed citizenship and change-related OCB to correlate. Adding this correlation is acceptable as both variables measure discretionary behavior and are therefore likely to have some overlap. The adjusted model had a good fit with the data,  $\chi^2(262, n = 384) = 638.905, p < .001, \chi^2/df = 2.439, CFI = .92, IFI = .92, TLI = .91, SRMR = .0701$ , and  $RMSEA = .061$ .

Next, we examined alternative models in which we included direct paths from manager breach to the outcomes. As these were nested models, we used chi-square difference tests to compare each of these models to the full mediation model. First, we examined a model in which we included a direct path from manager breach to manager-directed citizenship. This path was non-significant and the model did not fit the data better than the full mediation model,  $\Delta\chi^2(1) = 2.23, p > .05$ . Next, we analyzed a model in which we included a direct path from manager breach to job satisfaction. This path was not significant, and the model did not provide a better fit to the data than the full mediation model,  $\Delta\chi^2(1) = 2.713, p > .05$ . Finally, we examined a model in which we included a direct path from manager breach to change-related OCB. This path was also not significant, and compared to the full mediation model it did not have a better fit with the data,  $\Delta\chi^2(1) = 2.897, p > .05$ . The analyses of these alternative partial mediation models and the results of the chi-square difference tests provided further support for full mediation. Figure 5.1 graphically depicts the full mediation model.

Hypothesis 2a and Hypothesis 2b are supported; SLMX significantly mediates<sup>21</sup> the relationship between manager breach and citizenship behavior directed at the manager (mediated effect =  $-.251, LLCI = -.3683, ULCI = -.1418$ ), and manager breach and job satisfaction (mediated effect =  $-.344, LLCI = -.4629, ULCI = -.2356$ ). Hypothesis 2c is not supported. While there is a significant relationship between manager breach

and SLMX, SLMX is not significantly related to change-related OCB ( $\gamma = .09, p > .05$ ), and therefore SLMX does not mediate the relationship between manager breach and discretionary behavior directed at the organization. Hypotheses 3a and 3c are supported; ELMX significantly mediated the relationship between manager breach and manager-directed citizenship behavior (mediated effect =  $-.037$ ,  $LLCI = -.0783$ ,  $ULCI = -.0038$ ), and manager breach and change-related OCB (mediated effect =  $-.027$ ,  $LLCI = -.0567$ ,  $ULCI = -.0030$ ). Hypothesis 3b is not supported. While manager breach positively influences ELMX ( $\gamma = .14, p < .05$ ), ELMX is not significantly related to job satisfaction ( $\gamma = .06, p > .05$ ).

### ***Additional analyses***

Based on existing literature, we suggested that dimensions of LMX would mediate the relationship between manager breach and employee outcomes. However, others (e.g., Henderson et al., 2008) have suggested that LMX influences perceptions of breach which in turn influences employee outcomes. Consequently, we performed an additional SEM analysis in which we considered manager breach to mediate the relationship between SLMX, ELMX and employee outcomes. The model fit the data less well as our hypothesized mediation model,  $\chi^2(265, n = 384) = 682.450, p < .001$ ,  $\chi^2/df = 2.575$ ,  $CFI = .91$ ,  $IFI = .91$ ,  $TLI = .90$ ,  $SRMR = .0867$ , and  $RMSEA = .064$ . Additionally, when comparing non-nested models, it is important to consider the AIC (Byrne, 2010). The AIC of our mediation model is lower than that of the alternative model (764.905 versus 802.450), hence our model has a better fit to the data than a model in which manager breach is considered a mediator. That is, models with a lower AIC value have a better fit to the data (Byrne, 2010). Moreover, while both ELMX and SLMX mediated the relationships between manager breach and employee outcomes, manager breach did not mediate the relationship between ELMX and employee outcomes. That is, ELMX did not significantly affect manager breach ( $\gamma = .01, p > .05$ ) in this alternative model.

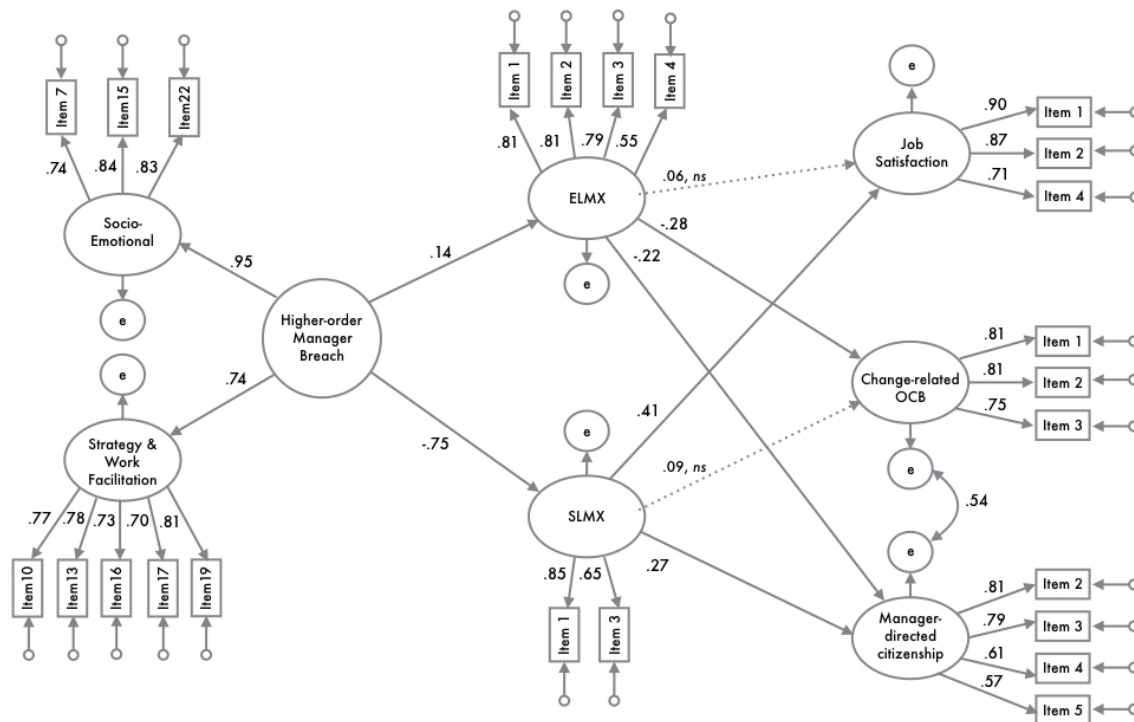


Figure 5.1. Full mediation model study 2

N = 384. Note: Standardized factor loadings and path coefficients are reported. We controlled for employee-manager contact frequency on SLMX, manager-directed citizenship and change-related OCB (not indicated in figure for presentation purposes). Dashed lines indicate non-significant paths, all other paths are significant.

### 5.4.3 Discussion

Results of Study 2 provide support for the negative relationships between manager breach and manager-directed citizenship behavior, manager breach and job satisfaction, and manager breach and change-related OCB. Since manager breach negatively affects both job satisfaction and change-related OCB, attitudes and behaviors targeted at the organization as a whole, this study provides support for the spillover effects of manager breach on organization-directed outcomes. Furthermore, this study provides support for the mediating roles of SLMX and ELMX in the relationship between manager breach and manager-directed discretionary behavior. Moreover, when considered simultaneously, ELMX and SLMX have independent

effects. That is, only SLMX fully mediated the relationship between manager breach and job satisfaction, whereas only ELMX fully mediated the relationship between manager breach and change-related OCB. The results of this study partly contradict previous research on the relationship between leader support and change-related OCB. In their meta-analysis, Chiaburu, Lorinkova, and Van Dyne (2013) found that leader support (which included studies on SLMX) positively affected change-related OCB, yet we were unable to replicate these findings. An important reason for this might be the inclusion of ELMX in our model. Considering that ELMX is more impersonal and focuses on quid pro quo exchanges (Buch et al., 2014a), it is plausible that this particular type of employee-manager relationship has the most profound effect on change-related OCB. Still, more research is needed to assess the independent effects of SLMX and ELMX on different types of organization-directed discretionary behavior.

There were a number of limitations to this study. First, we adopted a cross-sectional design and collected data from a single source. Consequently, we were unable to rule out reverse causality. Nevertheless, alternative model testing in which we examined the mediating role of manager breach in the relationships between aspects of LMX and employee outcomes, showed that this model did not fit the data as well as a model in which SLMX and ELMX were considered mediators. Moreover, while ELMX mediated the relationship between manager breach and manager-directed citizenship and change-related OCB, manager breach did not mediate the relationship between ELMX and employee outcomes. Moreover, the self-report data may have biased the scores on the manager-directed citizenship and change-related OCB scales. Second, more research is needed to develop a facet-based measure of manager breach. Although we initially included twenty-two items to measure manager psychological contract breach, in the end we retained eight items. We believe that this might be attributed to the use of a heterogeneous sample. Across jobs, positions and industries, perceptions of what a manager has obligated to provide is likely to differ. Since we adopted conservative criteria in both the EFA and the CFA in evaluating this measure, we are confident that the items we retained are relevant across our heterogeneous sample, yet we understand that this is only a first step toward understanding the contents of manager psychological contract obligations. Consequently, especially since manager breach is likely to have spillover effects, we urge researchers to further explore the contents of manager obligations and to develop a solid measure of manager psychological contract breach. Finally, although we focused on the effects of manager breach on organization-directed discretionary behavior, we were unable to include a measure of coworker directed citizenship behavior due to questionnaire length.

## 5.5 Study 3

In Study 3, we constructively replicated and extended Studies 1 and 2. A limitation of the first and second study was that data was collected from a single source at one point in time. Hence, common method bias might have influenced the results of these studies (Podsakoff et al., 2003). In Study 3, we therefore collected data at two points in time. At Time 1, we collected demographic data and perceptions of manager breach. Four weeks later, at Time 2, we collected data on the mediator and outcome variables. We specifically included a measure of citizenship behavior targeted at coworkers to extend the scope of the previous two studies. To achieve constructive replication, we used a composite measure of manager breach.

In Study 3, we examined the relationship between manager breach, job satisfaction, turnover intentions, and coworker-directed citizenship (hypotheses 1b, d, and e). Moreover, we assessed to what extent these relationships were mediated by SLMX (hypotheses 2b, d, and e) and ELMX (hypotheses 3b, d, and e).

### 5.5.1 Method

#### 5.5.1.1 Sample and procedure

We used an online data collection service to recruit participants. Numerous organizational behavior and management scholars have used a similar approach (e.g., Barclay & Kiefer, 2014; Carlson, Hunter, Ferguson, & Whitten, 2014; Ng et al., 2014). Collecting data with the assistance of an online survey company has several benefits. First, it allows researchers to collect data from employees working in various organizations (Barclay & Kiefer, 2014). A diverse sample is particularly useful for obtaining “variation in employee psychological contracts” (Bal, Jansen, Van der Velde, De Lange, & Rousseau, 2010, p. 477). Second, data collection services are in a position to prescreen participants (Carlson et al., 2014). For the present study, we required that participants had a direct manager to whom they reported and that they had the same manager at both Time 1 and Time 2. When using ‘low-stakes’ assessments such as online panels or MTurk, Fleischer, Mead, and Huang (2015) warn that there might be a considerable number of inattentive responders. To illustrate, when studies are conducted in specific organizations, senior management, the HR department or supervisors often encourage employees to participate. Management support for participation in a study is likely to increase accountability for one’s responses, yet



anonymous surveys distributed by online data collection services that are not linked to specific organizations are likely to create psychological distance between the participant and the researchers (Johnson, 2005), which can decrease participants' accountability for the responses they provide. Decreased accountability, in turn, can lead to effortless responding (e.g., Johnson, 2005; Meade & Craig, 2012). Hence, Fleischer et al. (2015) emphasize the need to check for insufficient effort responders, or IERs in short, in samples collected through online panels. They suggest that such respondents (IERs) be removed. There are numerous methods that researchers can use to screen for IER (for an overview see DeSimone, Harms, & DeSimone, 2014). We employed the invariant or 'long string' approach, in which we checked to what extent respondents chose the same answer option repeatedly across multidimensional scales and reversed scored items (DeSimone et al., 2014).

One hundred and seventy-seven participants completed our survey at both Time 1 and Time 2 (through unique identification codes, we were able to link Time 1 and Time 2 data). Of these 177 participants, 30 were flagged as IER and were deleted from the dataset. Although the percentage of IERs might be considered quite high (16.95%), Fleischer et al. (2015) point out that the percentage of respondents that are inattentive in 'low stakes assessments' is quite significant. The final sample consisted of 147 respondents.

Slightly more than half of the participants (55%) was male. The average age was 46.74 years, ranging from 20 to 73 years. Twenty-two percent of the sample had obtained a high school degree, 48.98% had completed vocational education (preparatory and senior secondary), 23.81% had obtained a university of applied sciences degree, and 4.77% had completed their education at university level. The average dyadic tenure (145 indicated dyadic tenure) was 4.12 years.

### **5.5.1.2 Measures**

#### ***Manager psychological contract breach***

Our composite measure of manager breach was based on 8 items from Botsford Morgan and King (2012). We made some changes to these items to ensure that they more accurately tapped manager obligations. For example, Botsford Morgan and King (2012) included items such as healthcare benefits and overall benefits package. Since managers are not responsible for the contents of these packages, we used a different item: ensures he/she has knowledge about policies with regard to benefits packages. Moreover, we rephrased some items to make them more specific. For example, career

development was changed to 'supports me in the development of my career'. Response options ranged from 1, my manager has not fulfilled this promise to me at all, to 7, my manager has completely fulfilled this promise to me. We used the same instructions as used in Study 2.

### ***SLMX and ELMX***

We used the same four-item measures for SLMX and ELMX (Kuvaas et al., 2012) as used in Study 1 and Study 2.

### ***Job satisfaction***

To assess job satisfaction, we used a three-item measure (Wright, Cropanzano, & Bonett, 2007). This scale measures satisfaction with regard to three facets; the job itself, manager and coworkers. An example item includes 'All in all, how satisfied are you with your coworkers?'. The response scale ranged from 1, very unsatisfied, to 5, very satisfied.

### ***Turnover intentions***

To measure turnover, we used three items from Ten Brink (2004). An example item includes 'I would like to work in another organization'. Response options ranged from 1 (strongly disagree) to 7 (strongly agree).

### ***Coworker-directed citizenship behavior***

We used four items from the OCB-I scale developed by Williams and Anderson (1991). To specifically tap citizenship behavior directed at coworkers, we replaced the more generic term 'employees' by coworkers. An example item includes 'I take a personal interest in the well-being of coworkers'. Responses ranged from 1 (strongly disagree) to 5 (strongly agree).

### ***Control variables***

Similar to Studies 1 and 2, we controlled for employee-manager contact frequency. A score of 0 represented 'once or twice a month or less' and 1 'once or twice a week or more'. Moreover, since we included turnover intentions, we also controlled for age. Age is consistently negatively associated with turnover intentions. For example, Bal, de Lange, Ybema, Jansen, and Van der Velde (2010) found a significant negative correlation ( $r = -.30, p < .01$ ) among age and turnover intentions.

### 5.5.1.3 Confirmatory factor analyses

CFAs were conducted in order to evaluate the measurement model. Based on the results of the initial analysis with 26 items (8 items for manager breach, 4 items for SLMX, 4 items for ELMX, 3 items for job satisfaction, 3 items for turnover intentions, and 4 items for coworker-directed citizenship), we needed to make some changes to the measurement model. First, the standardized factor loadings of two items of the coworker-directed citizenship scale did not meet the .50 threshold (Hair et al., 2010) and were deleted. Second, the AVE of ELMX did not meet the .50 threshold (Hair et al., 2010). After the item with the lowest factor loading was removed, the AVE for ELMX was acceptable at .51. Furthermore, there was some evidence of discriminant validity issues with the job satisfaction scale. That is, the item that specifically focused on satisfaction with one's manager cross-loaded on the SLMX scale. After removal of this item, no discriminant validity issues remained. The final measurement model consisted of 6 factors and 22 observed variables.

We used the following cut-off criteria to assess model fit: CFI and IFI at least .90 (Marsh et al., 2004), SRMR < .08 (Hu & Bentler, 1999), and  $\chi^2/df < 5$  (Hair et al., 2010). Results showed that the 6-factor model had a good fit with the data,  $\chi^2(194, n = 147) = 288.860$ ,  $p < .001$ ,  $\chi^2/df = 1.489$ ,  $CFI = .95$ ,  $IFI = .95$ , and  $SRMR = .0504$ . This model was compared to five alternative models (see Table 5.6); the 6-factor model had the best fit. The CRs and AVEs of all latent constructs exceeded the .70 threshold for CR and the .50 threshold for AVE (Hair et al., 2010).

**Table 5.6**  
*Confirmatory factor analyses study 3*

Model	$\chi^2$	df	$\chi^2/df$	CFI	IFI	SRMR
Six-factor model	228.860	194	1.489	.95	.95	.0504
Five-factor model (MPCB + SLMX)	551.340	199	2.771	.83	.83	.0803
Five-factor model (SLMX + job satisfaction)	345.881	199	1.738	.93	.93	.0691
Five-factor model (Satisfaction + coworker citizenship)	333.488	199	1.676	.93	.94	.0581
Four-factor model (Satisfaction + coworker citizenship + turnover intentions)	400.218	203	1.972	.90	.90	.0799
One-factor model	999.210	209	4.781	.61	.61	.1179

N = 147. MPCB: Manager psychological contract breach, SLMX: Social leader-member exchange, ELMX: Economic leader-member exchange, CFI: Comparative fit index, IFI: Incremental fit index, SRMR: Standardized root mean square residual.

#### 5.5.1.4 Analysis strategy

To test our hypotheses, we conducted SEM analyses in AMOS 23. In order to determine whether the precondition for mediation (direct relationship between independent and dependent variable) was met, we first examined the direct relationships between manager breach, job satisfaction, turnover intentions, and citizenship behavior directed at coworkers (Hypotheses 1b, d and e). Next, we conducted SEM analyses to test a full mediation model. We compared the full mediation model to partial mediation models in which we included direct paths from manager breach to the outcomes. We used the  $\chi^2$  difference test to compare these models. To test the significance of the mediated effect, we calculated the 95% credible intervals based on the hierarchical Bayesian MCMC method.

#### 5.5.2 Results

In Table 5.7, the construct reliabilities and AVE for each latent variable is depicted as well as the standardized correlations and the shared variances among the latent constructs.

**Table 5.7**

*Construct reliabilities, average variance extracted, standardized correlations and shared variances among the constructs*

	CR	1.	2.	3.	4.	5.	6.
1. MPCB	.92	(.61)	.44	.05	.36	.25	.09
2. SLMX	.92	-.66***	(.74)	.00	.41	.26	.10
3. ELMX	.76	.22*	.01	(.51)	.005	.03	.00
4. Job Satisfaction	.71	-.60***	.64***	-.07	(.55)	.44	.28
5. Turnover intentions	.92	.50***	-.51***	.18	-.66***	(.79)	.14
6. Coworker citizenship	.77	-.30**	.32**	-.02	.53***	-.37**	(.63)

N = 147. MPCB = manager psychological contract breach, SLMX = Social leader-member exchange, ELMX = Economic leader-member exchange. CR = Construct reliability. The Average Variance Extracted (AVE) is displayed on the diagonal in parentheses. The values below the diagonal are standardized correlation coefficients among the latent variables. The values above the diagonal are squared standardized correlation coefficients (i.e. shared variance among latent constructs).

\*p < .05, \*\*p < .01, \*\*\*p < .001

Based on Table 5.7 it can be concluded that the latent variables are discriminant from each other. That is, the AVE of each construct is higher than the shared variance (values above the diagonal) with between the respective construct and the other constructs in the study (Farrell, 2010; Hair et al., 2010).

The results of the SEM analyses provided support for Hypotheses 1b, 1d, and 1e. Respectively, manager breach was significantly negatively related to job satisfaction ( $\gamma = -.63, p < .05$ ), significantly positively related to turnover intentions ( $\gamma = .52, p < .05$ ), and significantly negatively related to coworker-directed citizenship behavior ( $\gamma = -.31, p < .05$ ). Although this model had an acceptable fit with the data,  $\chi^2(101, n = 147) = 201.287, p < .001, \chi^2/df = 1.993, CFI = .93, IFI = .93$ , and  $SRMR = .0800$ , we were also interested in examining whether ELMX and SLMX relationships would be able to explain why manager breach affects these employee outcomes.

Next, we tested a full mediation model. This model had an adequate fit to the data,  $\chi^2(244, n = 147) = 389.032, p < .001, \chi^2/df = 1.594, CFI = .93, IFI = .93$ , and  $SRMR = .0749$ . We compared this model to alternative models in which we included direct paths from manager breach to the outcome variables; for an overview see Table 5.8. First, we included a path from manager breach to job satisfaction. The direct path was significant and in the expected direction, and the addition of this path significantly improved the model,  $\Delta\chi^2(1) = 4.918, p < .05$ . Next, we tested a model in which we included a path from manager breach to turnover intentions. The direct path was not significant. The addition of this path also did not improve the fit of the model,  $\Delta\chi^2(1) = 2.744, p > .05$ . Then, we tested a model in which we included a direct path from manager breach to coworker-directed citizenship behavior. The direct path was not significant and the addition of this path did not significantly improve the model,  $\Delta\chi^2(1) = .510, p > .05$ . Based on an examination of these models, we concluded that a partial mediation model in which one direct relationship was included from manager breach to job satisfaction had the best fit to the data,  $\chi^2(243, n = 147) = 384.114, p < .001, \chi^2/df = 1.581, CFI = .93, IFI = .93$ , and  $SRMR = .0735$ .

Preliminary results pointed to partial mediation in the relationship between manager breach and job satisfaction, since this path was still significant but weaker when the mediators were included in the model. That is, manager breach had a reduced but significant negative effect on job satisfaction (reduced from  $\gamma = -.63, p < .05$  to  $\gamma = -.28, p < .05$ ). Moreover, since the addition of the direct paths between manager breach and turnover intentions, and manager breach and coworker-directed discretionary behavior were non-significant and did not improve the model, there was preliminary support for full mediation in these relationships.

We found support for Hypotheses 2b, 2d, and 2e. SLMX partially mediated<sup>[2]</sup> the relationship between manager breach and job satisfaction (mediated effect =  $-.167, LLCI = -.2669, ULCI = -.0784$ ). SLMX fully mediated the relationship between manager

breach and turnover intentions (mediated effect = .514, *LLCI* = .3335, *ULCI* = .7171), and between manager breach and coworker-directed citizenship behavior (mediated effect = -.10, *LLCI* = -.1717, *ULCI* = -.0361). Results also provided support for Hypothesis 3d. ELMX mediated the relationship between manager breach and turnover intentions (mediated effect = .0667, *LLCI* = .0014, *ULCI* = .1600). There was no support for Hypotheses 3b and 3e, since ELMX was not significantly related to job satisfaction ( $\gamma = -.03, p > .05$ ) or coworker-directed citizenship behavior ( $\gamma = -.05, p > .05$ ). Figure 5.2 depicts the partial mediation model.

**Table 5.8**

*Comparison among alternative models study 3*

Model	$\chi^2$	df	$\chi^2/\text{df}$	CFI	IFI	SRMR	Model comparison
Full mediation	389.032	244	1.594	.93	.93	.0749	
Partial mediation: MPCB $\rightarrow$ JSAT	384.114	243	1.581	.93	.93	.0735	$\Delta\chi^2(1) = 4.918$ , sig.
Partial mediation: MPCB $\rightarrow$ turnover intentions	386.288	243	1.590	.93	.93	.0727	$\Delta\chi^2(1) = 2.744$ , ns
Partial mediation: MPCB on citizenship directed at coworkers	388.522	243	1.599	.93	.93	.0747	$\Delta\chi^2(1) = .051$ , ns

N = 147. MPCB = manager psychological contract breach, JSAT = job satisfaction, CFI = comparative fit index, IFI = incremental fit index, SRMR = standardized root mean square residual.

### 5.5.3 Discussion

The results of Study 3 showed that there is a negative relationship between manager breach and job satisfaction, and manager breach and co-worker directed citizenship behavior, whereas there is a positive relationship between manager breach and turnover intentions. Results thus indicate that manager breach spills over to effect discretionary behavior targeted at one's coworkers. Moreover, the relationship between manager breach and turnover intentions was mediated by both ELMX and SLMX, whereas only SLMX mediated the relationship between manager breach and job satisfaction and manager breach and coworker-directed citizenship behavior. Results regarding the relationship between SLMX and coworker-directed citizenship are consistent with previous research (Masterson et al., 2000). Moreover, whereas both

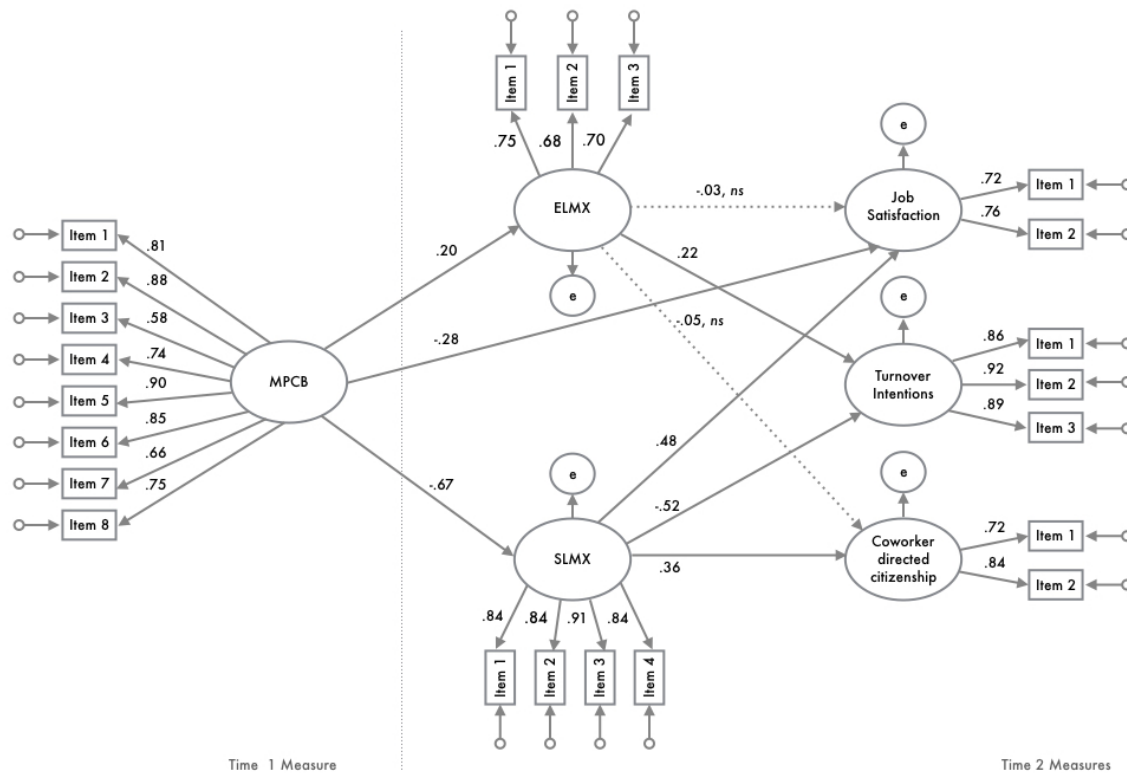


Figure 5.2. Partial mediation model study 3

N = 147. Note: Standardized factor loadings and path coefficients are reported. We controlled for employee-manager contact frequency on ELMX and for age on turnover intentions (not indicated in figure for presentation purposes). Dashed lines indicate non-significant paths, all other paths are significant.

ELMX and SLMX affected turnover intentions, only SLMX had an effect on job satisfaction and coworker-directed citizenship behavior.

There were some limitations to this study. First, data collection fully relied on self-report data, which may have inflated the scores on coworker-directed citizenship behavior. Furthermore, since two items of the co-worker directed citizenship behavior scale were dropped, the results of this study are limited to the types of behaviors assessed by the remaining items. Since the retained items focused on supporting coworkers (e.g., showing concern and interest for well-being of coworkers), more research is needed on other behaviors directed at coworkers (such as sharing information with coworkers). In addition, although this study employed a two-wave design, theory on manager breach, ELMX, and SLMX can benefit from longitudinal

studies, where dynamic, reciprocal relationships between manager breach and types of LMX are studied over time.

## **5.6 Overall discussion & conclusion**

In this study, we set out to examine to what extent manager psychological contract breach had spillover effects, affecting not only discretionary behaviors targeted at the manager (i.e., the transgressor), but also influencing attitudes and behaviors targeted at the organization and helping behavior directed at one's coworkers. Moreover, we aimed to examine to what extent the quality of the employee-manager relationship mediated these relationships. Overall, the results of our studies provided support for the existence of spillover effects. That is, manager psychological contract breach negatively affected job satisfaction, change-related citizenship behavior and citizenship behavior directed at coworkers and was positively related to turnover intentions. Moreover, SLMX and ELMX differentially mediated these relationships. More specifically, while SLMX mediated the relationships between manager breach and job satisfaction, turnover intentions and citizenship behavior targeted at individuals, ELMX mediated the relationship between manager breach and change-related OCB, and turnover intentions. Both ELMX and SLMX mediated the relationship between breaches of manager obligations and discretionary behavior directed at the manager. These results have a number of important implications for the psychological contract and leader-member exchange literatures. These implications and contributions are discussed in the next section.

### **5.6.1 Theoretical contributions**

This study has addressed recent calls for research to examine potential spillover effects of psychological contract breach (e.g., Bordia et al., 2010; Conway et al., 2014). Thus far, studies showed that manager psychological contract breach (or fulfillment) affected organization-directed outcomes including turnover intentions (Botsford Morgan & King, 2012), affective commitment and job satisfaction (Chambel, 2014). Our study replicates the results of earlier studies by showing that manager psychological contract breach is positively related to turnover intentions and negatively related to job satisfaction. Moreover, our study extends the scope of previous research by examining whether responses to manager breach are also targeted at the organization (i.e., change-related OCB) and coworkers (citizenship behavior directed at



individuals). Our study therefore adds to existing literature by showing that manager breach not only spills over to affect organization-directed outcomes but also spills over to affect coworker-directed outcomes. With regard to coworker-directed citizenship behavior, our findings differ from a study that examined the spillover effects of *organization* psychological contract breach. Conway et al. (2014) found that breaches of organization obligations did not spill over to affect helping behavior directed at coworkers. Two possible reasons were considered to explain why manager psychological contract breach was likely to spill over to influence behavior towards coworkers; displaced aggression and mutual dependency. Considering that no support was found for spillover effects of organization psychological contract breach (i.e., Conway et al., 2014), displaced aggression seems less likely to explain our results. The mutual dependency approach, on the other hand, is more likely to explain why manager breach affects behaviors directed at coworkers while organization psychological contract breach does not. That is, the employee-manager psychological contract is much more likely to overlap with employee obligations toward coworkers, than the employee's psychological contract with the organization. To be more specific, behaviors targeted at coworkers from one's work-unit can also be seen to benefit the immediate manager (Masterson et al., 2000). Thus, when a manager fails to fulfill promised obligations, an employee may reciprocate by reducing discretionary behaviors to the work unit which also affects the manager. However, since we only included citizenship behavior targeted at individuals in one of the studies, it is important to replicate these findings across different studies and samples. Moreover, it would be very interesting to focus on employee-manager and employee-work-unit psychological contracts within one study to further investigate the usefulness of the mutual dependency approach for explaining spillover effects.

Psychological contract scholars have emphasized the importance of focusing on parties other than the organization as a whole as the source of fulfillment and breach of obligations (e.g., Bordia et al., 2010; Chambel, 2014; Chaudhry & Tekleab, 2013). An important limitation of studies thus far (Bordia et al., 2010 is an exception) has been a reliance on items from organizational psychological contract measures to assess manager psychological contract breach. Although managers are involved in conveying the obligations of the organization to employees (e.g., Bordia et al., 2010), organization obligations are broader (Coyle-Shapiro & Shore, 2007) and not directly under the manager's control. Consequently, by focusing on obligations that have been specifically conceptualized as manager obligations, such as flexible working hours, providing feedback, providing autonomy and giving clear work directions (e.g.,

Baccili, 2001; Bordia et al., 2010; Chaudhry & Tekleab, 2013; Coyle-Shapiro & Parzefall, 2008), we were better able to capture manager psychological contract breach.

Previous research has taken several steps toward integrating psychological contract and LMX theory. These efforts have made significant contributions in moving the field forward, yet in order to understand whether and how the psychological contract affects the quality of LMX relationships it is essential to focus on the employee-manager psychological contract as opposed to the employee-organization psychological contract. By taking this approach, we are one of the first to find empirical support for the role of manager psychological contract breach in affecting the quality of the employee-manager relationship. Moreover, by focusing on LMX as a mediator in the relationship between manager breach and employee outcomes, we suggest that breach is a predictor of LMX. Yet, in previous research LMX has been conceptualized as a predictor of psychological contract breach. The cross-sectional and two-wave designs employed in our study do not give us the opportunity to examine causality. However, alternative tests in which we examined manager breach as a mediator in the relationship between LMX and employee outcomes was not supported. This provides some initial support that manager breach is an important predictor of LMX relationships. Nevertheless, it is likely that these relationships are recursive, such that manager breach reduces the quality of the employee-manager relationship which in turn is likely to result in perceptions of manager breach. Yet, longitudinal studies are needed to further examine these relationships.

Several scholars have highlighted that research on and conceptualizations of LMX are limited to the social aspects of the employee-manager relationship, while they have failed to address the economic dimension (e.g., Bono & Yoon, 2012; Kuvaas et al., 2012). Consequently, by focusing on both the social *and* economic aspects of the employee-manager relationship we contribute to the LMX literature. What is particularly interesting is that ELMX and SLMX differentially affect employee outcomes targeted at different parties. While both ELMX and SLMX affect behaviors targeted at the manager and turnover intentions, only SLMX influences satisfaction and citizenship behaviors directed at coworkers, while only ELMX affects OCB targeted at the organization. A reason why ELMX, but not SLMX, negatively affects change-related OCB might be related to the aspect of the exchange relationship (i.e., economic). That is, when an employee perceives that the relationship with his or her manager is mainly based on power and status differences in which one party only does something for the other when they are certain that they will receive something in return, he or she is less likely to exert work effort (Buch et al., 2014b). Consequently, employees in ELMX relationships are unlikely willing to exert effort for improving work methods and

likely unwilling to take initiative to improve the way things are done in the work unit or organization.

As opposed to ELMX, SLMX did not affect OCB directed at the organization, yet it did affect citizenship behavior targeted at coworkers. An important reason for this is probably that when an employee has a good working relationship with one's manager, he or she is willing to go the extra mile to perform behaviors that positively affect the manager. Since helping behaviors targeted at coworkers can significantly contribute to the performance of the manager's work unit, it is likely that employees in high SLMX relationships perform these types of discretionary acts. The mutual dependency approach is thus also useful for explaining the spillover effects of SLMX on behavior targeted at coworkers.

### **5.6.2 Limitations and future research implications**

Although the multi-study approach employed in this study has a number of strengths, there are also a number of limitations that need to be taken into consideration. The limitations of each of the separate studies has already been briefly discussed in the short discussion sections presented at the end of each study. In this section, we focus on the overall limitations of our approach. One limitation of our study is that we specifically focused on the employee's perception of breaches of manager obligations. Thus, we have not addressed the extent to which the employee has fulfilled his or her obligations toward the manager. Although this one-sided approach certainly has its limitations, considering the fact that the employee's perception of the extent to which the psychological contract is fulfilled is considered to have the most profound effect on attitudes and behaviors (Conway & Briner, 2005; Rousseau, 1995), there is enough justification to conduct a study that specifically examines the employee's perceptions (Chaudhry & Tekleab, 2013). Nevertheless, a focus on the extent to which the employee has fulfilled obligations toward the manager or an examination of dual perceptions of the state of the employee-manager psychological contract can significantly contribute to the psychological contract literature.

Furthermore, although one of the studies was based on a two-wave design, across the three studies we were not able to examine causality. Therefore, longitudinal research is needed to further examine the support for the causality of the hypothesized relationships. Moreover, since others have suggested that LMX is a predictor of breach, longitudinal research designs can provide a better view of the cause-effect

relationships between these constructs. Although, as mentioned previously, it is probably more likely that the relationships are recursive.

Additionally, although we conducted multiple studies, these studies were limited to employees working in the Netherlands. It is important to conduct studies in other countries, specifically in non-Western countries, to determine whether our results are generalizable to other settings.

Although we took a rather unique step toward integrating psychological contract and LMX theory, there are still a number of unknowns that must be examined in order to fully integrate psychological contract and LMX theory. For example, it is important to further examine the obligations underlying the employee-manager relationship, and to investigate whether breaches of some obligations have stronger effects on the quality of the LMX relationship than others. While we took a first step by examining breaches of specific manager obligations in studies 2 and 3, the literature could greatly benefit from a combination of inductive and deductive studies that investigate the mutual obligations that underlie the employee-manager psychological contract. In the organization-employee psychological contract literature, several typologies have been developed to represent these contracts, for example transactional, relational, and balanced contracts (Rousseau, 2000). It is important to examine whether these typologies also hold-up for employee-manager psychological contracts or whether other typologies more logically represent these types of contracts. After typologies or dimensions of the employee-manager psychological contract have been developed, it is important to examine if breaches of some dimensions more strongly affect perceptions of the quality of LMX relationships than others. Finally, across the three studies, items had to be dropped from the ELMX and SLMX scales. Therefore, it is important that more work is conducted on developing scales to measure these variables.

### **5.6.3 Practical implications**

Our study offers some important implications for managers. First, it is important that managers are aware that when an employee perceives that the manager has not kept its obligations towards him or her, this not only affects the quality of the relationship with one's manager and the employee's behavior toward the manager, it also affects the employee's behavior toward his or her coworkers. This entails that the consequences of the perceptions of breach move beyond the dyadic relationship and

can be quite harmful for the atmosphere and functioning of a work unit. Consequently, it is essential that managers try to reduce the possibility for perceptions of manager breach of obligations. This could be done by communicating open and honestly about mutual obligations, or in the event that a breach does occur (or has perceived to have occurred) to provide honest explanations for why the breach occurred and try to make up for the loss of a valued inducement (e.g., Bordia et al., 2010).

The results of this study show that the quality of the employee-manager relationship has important implications for an employee's intention to remain or leave the organization. That is, when an employee perceives an impersonal relationship with one's manager that is based on formal differences in power and status (i.e., ELMX), the employee is likely to want to leave the organization. Since perceived breaches of manager obligations increase the likelihood of such an impersonal relationship with one's manager, it is important that managers try to keep promises made to employees, or when they are unable to do so, to inform employees of this in a timely and honest manner.

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## Notes

1. The instructions were adapted from Kickul, Neuman, Parker, and Finkl (2001) and reworded to fit within the context of the employee-manager psychological contract.
2. We used the unstandardized coefficients to compute the mediated effects.

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# Chapter 6

Overall discussion & conclusion





## **6.1 Introduction**

The main goal of this dissertation was to gain an understanding of the role of supervisory leadership in the context of organization and manager psychological contract breach. In order to achieve this goal, three central questions were formulated and examined across six empirical studies and one conceptual piece. The first question concerned the extent to which supportive manager behaviors are able to mitigate the negative consequences of organization psychological contract breach. The second question focused on how employee-manager interactions following a perceived breach of organization obligations affect an employee's ultimate response to breach, and which factors influence these dyadic interactions. The final question concerned the extent to which leader-member exchange mediates the relationship between manager psychological contract breach and employee outcomes.

In this chapter, the answers to each of the three main questions are summarized and discussed. In addition to discussing the main findings and implications related to each question, the dissertation as a whole is evaluated. Thus, the overall theoretical contributions, practical recommendations, implications for future research, and limitations of the complete manuscript are presented and discussed.

## **6.2 Concrete manager behaviors in the context of organization psychological contract breach**

Existing research has shown mixed results regarding the moderating role of manager support in the relationship between organization psychological contract breach and employee outcomes. In this dissertation, I set out to provide an explanation for this discrepancy in findings by taking a more detailed approach. Rather than focusing on broad concepts such as leader-member exchange (LMX) and supervisor support, I focused on concrete manager behaviors. Moreover, instead of assessing global perceptions of organization psychological contract breach I examined breaches of specific types of obligations. By taking a more specific approach, I hoped to gain an understanding of the types of manager behaviors that were supportive in response to different types of breach. This first question was examined across three studies, one qualitative study among managers and employees, and two cross-sectional field studies among employees. The main results are summarized in the next section.

### 6.2.1 Key findings

Across the three studies that specifically addressed this question, it was found that, overall, immediate managers are able to reduce the negative effects of specific dimensions of organization psychological contract breach. The results of the quantitative study presented in chapter 2 showed that managerial behaviors related to providing fair, clear, and timely communication moderated the relationship between social atmosphere breach and cognitive resistance to change. Particularly, when managers were perceived to score considerably high on these behaviors (ranging from 3.91 to 5 on a 5-point Likert scale), the negative consequences of social atmosphere breach on cognitive resistance to change was reduced. The results of the qualitative study presented in chapter 3 showed that employees not only find behaviors related to honest, accurate and timely communication helpful, but employees also identified a number of other supportive behaviors they found helpful after experiencing organization psychological contract breach. These behaviors and practices could be categorized as ability, motivation, and opportunity-enhancing practices.

The results of this qualitative study seemed to suggest that some managerial practices would be more effective than others depending on the type of breach experienced. The quantitative study presented in chapter 3 further explored these assumptions. Results of this study showed that opportunity-enhancing practices reduced the positive relationship between organizational policies breach and psychological contract violation. A similar result was found for the moderating role of opportunity-enhancing practices in the relationship between organizational policies breach and turnover intentions, yet the interaction effect was only marginally significant. Furthermore, motivation-enhancing practices were found to significantly mitigate the negative relationship between rewards breach and affective commitment, while opportunity-enhancing practices alone intensified the negative relationship between rewards breach and affective commitment. Moreover, ability and opportunity enhancing practices jointly mitigated the relationship between job content breach and turnover intentions.

In order to draw inferences from both chapter 2 and 3, it is important to place the managerial communication behaviors examined in chapter 2 within the ability, motivation, and opportunity (AMO) framework. The managerial practices examined in chapter 2 fit within the broader category 'opportunity-enhancing practices'. There

is an interesting difference between the results of the quantitative studies reported in chapters 2 and 3 regarding the mitigating role of opportunity-enhancing practices. As indicated, the practices assessed in chapter 2 *partly* represent the behaviors and practices underlying the category opportunity-enhancing practices, but are limited to communication behaviors. In chapter 2, there was no consideration of manager behaviors such as treating employees with kindness and respect, providing employees the opportunity to voice their views and worries or taking action based on employee concerns. According to the results presented in chapter 2, fair communication behaviors did not mitigate the relationship between organizational policies breach and employee outcomes. In contrast, the results of the quantitative study presented in chapter 3 showed that opportunity-enhancing practices mitigated the negative effects of organizational policies breach. These differences could be based on the inclusion of different outcome variables across these studies, however, it could also be that fair supervisory communication alone is not able to reduce the negative consequences of this type of breach. In the discussion section of chapter 2, based on previous research (i.e., Vander Elst, Baillien, De Cuyper, & De Witte, 2010), it was suggested that behaviors focused on employee involvement and participation might be more effective in reducing the negative effects of organizational policies breach. Considering that opportunity-enhancing practices also include behaviors such as conferring with employees and addressing their concerns – which more actively involve the employee – it is likely that opportunity-enhancing practices are more useful for managers to employ than only fair communication practices.

Overall, the results of the three studies that examined the role of managerial practices in the context of organization psychological contract breach showed that supportive manager practices reduced the negative effects of breaches of specific organization obligations. More importantly, the results indicated that managers should consider the type of breach perceived when selecting the types of supportive behaviors to employ. While some types of practices can be very effective (e.g., motivation-enhancing practices in the context of rewards breach), others can have harmful effects (e.g., opportunity-enhancing practices in the context of rewards breach). The implications of these findings are discussed in more detail in the following section.

## 6.2.2 Contributions & implications

By examining whether concrete manager behaviors could mitigate the negative consequences of breaches of specific types of organization obligations this dissertation significantly contributes to the psychological contract literature.

First and foremost, by taking a more detailed approach to examining the moderating role of manager support in the relationship between breach and employee outcomes, this dissertation has taken an important step in addressing the mixed results found in the existing literature. This is particularly evident when examining the joint role of ability and opportunity-enhancing practices in the context of job content breach. When managers employ opportunity-enhancing practices but do not employ ability-enhancing practices (high opportunity, low ability), the slope of the positive relationship between job content breach and turnover intentions is significant, and particularly steep. Yet, in combination with high ability-enhancing practices, the positive relationship between job content breach and turnover intentions is much lower than when both practices are low, or when only one practice is high. This suggests that opportunity-enhancing practices alone may intensify the negative consequences of breach, yet when used in combination with ability-enhancing practices, the positive relationship between job content breach and turnover intentions is weaker.

To date, most research has examined the moderating role of LMX. Since certain types of opportunity-enhancing practices are often indicated to be part of high quality LMX relationships (such as listening to concerns, providing adequate explanations), research focusing on the moderating role of LMX quality is likely to have overlooked other types of behaviors that are helpful in the context of breach. Hence, by not examining specific behaviors (such as ability-enhancing practices), existing research has not been able to fully assess the moderating role of manager support. The results of this dissertation suggest that managers are able to reduce the negative effects of breach, yet it is important to consider which obligations were breached in order to determine the behavior that should be employed. If managers fail to employ the behaviors that are considered most effective for a specific type of breach, it is possible that intensifying rather than mitigating effects occur.

Although I am certainly not the first to point to the important role of an employee's immediate manager in reducing the consequences of organization psychological



contract breach, this dissertation makes important contributions above and beyond the existing literature. To be more specific, this dissertation is the first to develop a typology of supportive manager behaviors in the context of organization psychological contract breach. Such a typology does not only advance psychological contract theory, it is particularly relevant to practitioners. Based on existing research with LMX and supervisor support, scholars were not able to recommend specific types of behaviors managers should use to mitigate the negative effects of organization psychological contract breach. The typology of ability, motivation, and opportunity-enhancing practices developed in this dissertation provides a first step for advising about concrete behaviors managers can use for different types of breach. Nevertheless, more systematic research is needed to replicate the results of this study, but the value of focusing on concrete behaviors above and beyond broad-based constructs is evident.

De Vos and Meganck (2008) pointed to the importance of focusing on specific psychological contract dimensions in relation to employee outcomes and called for more research in this area. The results of the quantitative studies presented in chapters 2 and 3 showed the importance of distinguishing between dimensions of organization psychological contract breach. That is, some types of breach had a more profound effect on certain outcomes, while other types of breach were more important for other outcomes. For example, in chapter 2, it was found that only social atmosphere breach was positively related to affective resistance to change. Similarly, in chapter 3, it was found that social atmosphere breach was most strongly related to affective commitment. Moreover, De Vos and Meganck (2008) found that social atmosphere breach most strongly affected loyalty. Hence, this type of breach seems to be particularly important for affective outcomes. By focusing on specific types of organization psychological contract breach, this dissertation has contributed to the existing literature, particularly since psychological contract studies largely include global or aggregate measures of breach.

### **6.3 Employee-manager interactions in the context of organization psychological contract breach**

Research on psychological contract breach has been criticized for its focus on the linear relationship between psychological contract breach and employee outcomes (Conway & Briner, 2005). Instead, scholars have suggested that whether initial perceptions of

organization psychological contract breach result in negative employee responses such as reduced satisfaction, commitment, and performance, depends on a number of intervening stages (Conway & Briner, 2005). Therefore, Conway and Briner (2005) called for more theory and research examining psychological contract breach as a process. The first question examined in this dissertation already addressed this criticism on psychological contract breach research to some extent. That is, by focusing on supportive managerial behaviors as an intervening variable, initial support was provided that psychological contract breach does not necessarily lead to negative responses to breach. Yet, a focus on one intervening variable does not answer calls for more theory and research on explaining responses to breach from a process perspective (Conway & Briner, 2005). Consequently, in order to address this call, the second question this dissertation aimed to answer focused on how employee-manager interactions following a perceived breach of organization obligations unfolded to affect an employee's ultimate response to organization psychological contract breach. This second question was addressed by means of a conceptual paper. The key propositions of this paper are discussed in the following section.

### **6.3.1 Key findings**

The dyadic process model presented in this dissertation suggests that when an employee perceives that the organization has failed to fulfill its obligations toward him or her, the employee turns to one's immediate manager. The interactions between employee and manager that follow are crucial for the employee's ultimate response to a breach of obligations. That is, under certain conditions the situation is likely to de-escalate and return to the pre-beach status. However, under other circumstances, the situation is likely to result in a downward spiral, leading the employee to respond to the perceived breach of obligation through reduced loyalty or increased neglect or even exit. Whether or not the situation escalates or whether it returns to pre-beach status depends upon the way in which an employee interacts with, or expresses dissent about breach to his or her manager, and the way in which the manager in turn responds to the employee. In general, when an employee uses face-preserving dissent strategies, a manager is more likely to respond favorably to dissent about breach. Moreover, generally, when an employee uses face-threatening dissent strategies to express disappointment about the breach, a manager is more likely to respond unfavorably (for example through delaying tactics).

The model describes a number of facilitators and barriers of the escalation spiral, from both the employee and manager side, that help explain why face-preserving strategies may sometimes not result in favorable manager responses. Overall, the model presented in chapter 4 examines how an employee's initial response to breach (through the use of face-preserving or face-threatening dissent towards one's manager) affects a manager's subsequent response to the employee, and how facilitators and barriers such as leader-member exchange, coping strategies, psychological contract violation and leader-leader exchange affect subsequent employee-manager interactions, and in turn the employee's ultimate response to breach. The ultimate response is conceptualized as either returning to pre-breach exchange status or downward escalation toward negative employee attitudes and behaviors (e.g., reduced loyalty or exit).

### **6.3.2 Contributions & implications**

By examining the processes that take place after an employee's initial perception of organization psychological contract breach, this dissertation was able to make a number of important contributions to the literature. I discuss the most important contributions in the following section.

First and foremost, this dissertation is one of the first to focus on employee-manager interactions following an employee's initial perception of breach to help explain how employees respond to organization psychological contract breach. By considering responses to breach from a dyadic process perspective, this dissertation has responded to calls for more theory and research in this area (Conway & Briner, 2005).

By focusing on the use of employee dissent strategies, this dissertation has made an important contribution to the psychological contract literature. Since employee dissent is considered a specific category of employee voice (e.g., Kassing, 2005), and scholars have previously examined employee voice in response to psychological contract breach (e.g. Ng, Feldman, & Butts, 2014; Turnley & Feldman, 1999), the added value of employee dissent to the psychological contract literature warrants further explanation.

Scholars point out that there are different conceptualizations of employee voice (e.g. Klaas, Olson-Buchanan, & Ward, 2012; Liu, Zhu, & Yang, 2010). Proactive voice, destructive voice, and justice-oriented voice have been considered in the psychological

contract literature. Proactive voice is defined as discretionary (LePine & Van Dyne, 1998) and is considered a type of citizenship behavior (Grant, 2013; Klaas et al., 2012; Liu et al., 2010). It includes speaking up in a constructive manner, thereby providing helpful contributions that benefit the organization and work-related conditions (Van Dyne, Ang, & Botero, 2003). Aggressive voice is destructive and is used with the intention of harming the organization (Ng et al., 2014). Justice-oriented voice or remedial voice is concerned with mistreatment or wrongdoing at work (Olson-Buchanan & Boswell, 2008) and entails speaking up with the goal of having the organization (or its agents) address the dissatisfying situation (Klaas et al., 2012). I suggest that justice-oriented voice is most appropriate for theory and research on psychological contract breach. More specifically, since psychological contract breach constitutes a negative workplace experience, employees are likely to use justice-oriented voice in response to this dissatisfying circumstance. Nevertheless, to the best of my knowledge, only one study has considered justice-oriented voice in the context of breach (Turnley & Feldman, 1999), whereas others have considered proactive voice (e.g., Si, Wei, & Li, 2008) and destructive voice (e.g., Ng et al., 2014). Despite the relevance of justice-oriented voice for theory and research on psychological contract breach, there is an important limitation to the use of this concept. That is, justice-oriented voice toward one's immediate manager has not been conceptualized as an intermediary response.

Olson-Buchanan and Boswell (2008) suggest that employees are likely to use different types of remedial voice (or justice-oriented voice) successively in response to perceived mistreatment at work, moving from more accommodative types to less accommodative types or from acceptable to provoking voice mechanisms (Klaas et al., 2012). Even though this claim suggests that justice-oriented voice has an intermediary character, the types of voice strategies that have been conceptualized are limited to their formality, focus and identifiability (Klaas et al., 2012; Olson-Buchanan & Boswell, 2008). For example, scholars distinguish between voice mechanisms ranging from informal voice to one's manager to open door policies to formal grievance procedures (Klaas et al., 2012; Olson-Buchanan & Boswell, 2008). The current literature on justice-oriented voice has, to the best of my knowledge, not considered accommodating and less accommodating types of (informal) voice to one's manager. When focusing on employee responses to breach, and particularly on employee-manager interactions following a perception of breach, it is important to consider whether and how employees may move from accommodating to less accommodating types of speaking up toward one's immediate manager. Since there is no conceptualization of different types of upward justice-oriented voice strategies toward one's manager, employee

dissent (Kassing, 1997; 1998) is very valuable to psychological contract theory. More specifically, employee dissent symbolizes an intermediary employee response (moving from face-preserving to less face-preserving, to face-threatening dissent strategies), which allows the examination of dissent strategies over time. By incorporating dissent into the dyadic process model, this dissertation has shown the relevance of this variable for psychological contract research. Hence, in future research, it is important to include this variable when examining responses to breach over time.

## **6.4 The mediating role of leader-member exchange relationships in the context of manager psychological contract breach**

In 1998, Rousseau emphasized the importance of the psychological contract concept for understanding the exchanges that form the basis of high-quality LMX relationships. Since then, several approaches have been taken to examine and understand the relationship between the psychological contract and LMX constructs. Although these approaches are very valuable to the literature, there are important limitations to existing approaches. That is, in these studies, the psychological contract generally focuses on the exchange agreement between the employee and the *organization*, yet LMX focuses on the quality of the relationship between the employee and the *manager*. Although scholars often indicate that managers are responsible for breaching organization obligations, others have rightfully indicated that managers are not solely responsible for establishing and upholding the psychological contract between employee and organization (Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008). In fact, empirical studies have clearly shown that employees distinguish between managers and organizations as sources of breach (e.g., Baccili, 2001; Bordia, Restubog, Bordia, & Tang, 2010; Chambel, 2014; Chaudhry & Tekleab, 2013). Although conceptual and empirical work have provided support for distinguishing between manager and organization psychological contract breach, existing research has hardly examined the effects of manager breach on LMX. Moreover, since there is not a lot of theory and knowledge on employee responses to manager breach, more research was needed to examine whether responses to manager breach are only targeted at the manager or whether they spill over to affect other parties such as coworkers.

The third question was addressed across three studies (all presented in chapter 5) in which I examined the mediating role of dimensions of LMX in the relationship between manager breach and employee responses targeted at different parties including the manager, the organization as a whole and coworkers. The main results are presented in the next section.

### **6.4.1 Key findings**

Across the three studies, the results showed that employee reactions to breaches of manager obligations affected not only manager-directed citizenship behaviors, but spilled over to affect other parties as well, such as coworkers and the organization as a whole. In addition, the results of the three studies provided support for the mediating role of LMX dimensions in the relationship between manager psychological contract breach and employee responses targeted at different parties.

Across all three studies, it was found that social LMX (SLMX) mediated the relationship between manager breach and job satisfaction. Additionally, results of the second study that was presented in chapter 5 showed that SLMX mediated the relationship between manager breach and manager-directed citizenship behavior. Results of the third study discussed in chapter 5 showed that SLMX mediated the relationship between manager breach and turnover intentions, and manager breach and citizenship behavior directed at coworkers.

The results for the mediating role of economic LMX (ELMX) were somewhat different. Across all three studies no support was found for the mediating role of ELMX in the relationship between manager breach and job satisfaction. Moreover, no support was found for the mediating role of ELMX in the relationship between manager breach and discretionary behavior targeted at coworkers. Similar to SLMX, ELMX mediated the relationships between manager breach and citizenship behavior targeted at the manager, and manager breach and turnover intentions. In contrast to SLMX, ELMX mediated the relationship between manager breach and change-related organizational citizenship (discretionary behavior targeted at the organization as a whole).

Overall, the results showed that manager breach affected not only outcomes targeted at the manager but also outcomes targeted at the organization as a whole and coworkers. Furthermore, results indicated that manager breach is an antecedent of both dimensions of LMX relationships, economic and social. Moreover, the

dimensions of LMX differentially affected employee outcomes. ELMX did not spillover to affect discretionary behavior targeted at coworkers, while SLMX did not spillover to affect proactive behavior targeted at the organization. The results of these three studies have important implications for the psychological contract and LXM literatures. These implications are discussed in the following section.

### **6.4.2 Contributions & implications**

The three studies that examined the relationship between manager breach, LMX relationships and employee responses targeted at different parties, make important contributions to the psychological contract literature. First, these studies add to a small body of existing research on the spillover effects of psychological contract breach. The results showed that manager breach spills over to affect parties not involved in the employee-manager psychological contract.

Second, these studies provided empirical support for Rousseau's (1998) claim that psychological contract theory is important for understanding the factors that affect the quality of the employee-manager relationship. More specifically, when managers fail to fulfill promised obligations vis-à-vis employees, the quality of SLMX relationships is likely reduced, while the relationship between an employee and his or her manager is likely to become more economic.

These studies also have important implications for the LMX literature. Recently, scholars have started to distinguish between economic and social relationships. Shore, Tetrick, Lynch, and Barksdale (2006) have distinguished between economic and social employee-organization relationships, while Kuvaas, Buch, Dysvik, and Haerem (2012) have distinguished between economic and social LMX relationships. Yet research on these constructs, and particularly their differential effects, is scarce. Based on the results of the three studies examining ELMX and SLMX presented in this dissertation, it is suggested that the dominant type of relationship an employee has with his or her manager has important implications for employee outcomes. Moreover, in response to a call for more research on antecedents of ELMX (Buch, Martinsen, & Kuvaas, 2014), these studies have shown that manager breach is an important predictor of ELMX relationships.

## **6.5 Overall contributions, limitations, and recommendations**

In the previous sections, I discussed the main findings in relation to the three questions examined in this dissertation, and indicated how these findings contributed to the literature. In this section, I aim to provide an overall evaluation of the contributions, limitations, and implications of the entire thesis. Thus, rather than separately discussing how an answer to each of the main questions independently contributed to the literature, in this section, I provide an assessment of how the thesis as a whole advances theory and research. In addition, I evaluate the complete dissertation in terms of its limitations and implications.

### **6.5.1 Overall theoretical contributions**

To be able to evaluate the contributions of the complete dissertation, it is important to take a holistic approach towards the ideas, methods and results presented throughout the different chapters, and examine how the linkages between the different studies add to the existing literature. Based on this holistic approach, I identified two key contributions. The first contribution is related to moving beyond the often used ‘tit for tat approach’ to explaining responses to psychological contract breach. Across the majority of chapters in this thesis, I considered theories that help explain responses to breach that extend beyond the guilty party. Moreover, throughout this dissertation, I have considered intervening variables and intervening stages which help explain why employees do not always respond negatively toward perceived breaches. Second, by focusing on supervisory leadership in situations of both organization and manager breach, this dissertation has shown the relevance of the psychological contract breach concept to leadership research. Thereby, this dissertation has answered calls for more research on contexts in which certain leader behaviors are most effective. In addition, this dissertation answers a call for more research on antecedents of LMX. Besides addressing calls for research, this dissertation also points to the importance of psychological contract breach for future leadership research. I discuss these key contributions in the following sections.

#### **6.5.1.1 Moving beyond ‘tit for tat’**

Scholars have generally relied on social exchange theory (Blau, 1964; Gouldner, 1960), and the norm of reciprocity in particular, to explain employee responses to psychological contract breach (e.g., López Bohle, Bal, Jansen, Leiva, & Alonso, 2016; Lub, Bal, Blomme, & Schalk, 2016; Ng et al., 2014). Applying the norm of reciprocity



to psychological contract breach, it is suggested that when employees perceive that the organization does not fulfill its obligations, employees reduce their positive attitudes and helpful behaviors and contributions toward the organization (e.g., Ng et al., 2014). This type of response can be referred to as a '*tit for tat*' response. That is, when party A does not keep its promised obligations vis-a-vis party B, party B 'gets even' by reducing its positive attitudes and actions toward party A. Although the '*tit for tat*' approach applies to certain responses to psychological contract breach, this approach also has its limitations.

By drawing on the reciprocity rule (i.e., repaying in kind, giving '*tit for tat*'), scholars are able to explain why employees reduce, among others, their affective commitment toward the organization, or why employees are less willing to perform citizenship behaviors targeted at the organization in response to organization psychological contract breach. However, this approach does not help explain why employees reduce helpful actions toward other parties (such as coworkers) or why psychological contract breach negatively affects an employee's affective motivational state (i.e., levels of employee engagement). More specifically, '*repaying in kind*' or '*giving tit for tat*' does not apply when the response is targeted at a party that was not involved in breaching the obligations, nor does it explain why breach results in a drop in an employee's energy and dedication (i.e., affective motivational state). Consequently, other theoretical approaches are needed to explain these relationships.

Throughout this dissertation, I have examined employee responses targeted at parties other than the transgressing party and have used different theoretical lenses to explain why employee responses to organization and manager psychological contract breach may spill over to affect other parties. For example, in chapter 2, I drew upon the tripartite job demands-resources (JD-R) model (e.g., Van den Broeck, De Cuyper, De Witte, & Vansteenkiste, 2010) to explain why organizational psychological contract breach negatively affected an employee's level of engagement. I am not the first to consider the JD-R model to explain employee responses to the state of one's psychological contract. Parzefall and Hakanen (2010), for example, drew on this model to explain the relationship between psychological contract fulfillment and employee engagement. Nevertheless, I took a unique approach by conceptualizing organization psychological contract breach as a *challenging work demand* to help explain its negative effect on engagement. Furthermore, drawing from the work of Bordia et al. (2010) and Conway, Kiefer, Hartley, and Briner (2014), I use displaced aggression theory (Marcus-Newhall, Pedersen, Carlson, & Muller, 2000) and the mutual dependency approach to explain why employee responses to manager psychological contract breach spill over

to affect responses targeted at the organization and coworkers. Although I am not the first to use different theoretical frameworks to explain employee responses to psychological contract breach, by focusing on different sources of breach (i.e., organization and manager) and a variety of outcomes directed at different parties, this dissertation is able to further advance our understanding of employee responses to psychological contract breach.

A second limitation of focusing on tit for tat responses or simple 'cause and effect' models is emphasized by Conway and Briner (2005). According to these authors, "existing models also omit or oversimplify intervening stages between the initial perception of breach and the employee's reaction to breach" (p. 137). Conway and Briner (2005) point out that emotions and actions (i.e., 'intervening stages') that take place between the initial perception of breach and an employee's ultimate response (such as reduced organizational commitment and performance) are hardly considered. This second limitation associated with a focus on tit for tat responses has also been addressed in this dissertation. In chapters 2 and 3, I examined whether managers were able to reduce negative responses to breaches of organization obligations through specific types of supportive behavior. Results showed that managers were able to mitigate responses to breaches of certain organization behaviors. These results show that intervening variables, such as supportive manager behavior, play a role in an employee's ultimate response to organization psychological contract breach. In chapter 4, I developed a dyadic process model in which I examined employee-manager interactions following an employee's initial perception of organization psychological contract breach, and assessed under which circumstances these interactions were likely to de-escalate the situation and in which situations these exchanges were likely to result in negative responses to breach, such as decreased loyalty, neglect and turnover.

Overall, this dissertation has advanced theory and research on psychological contract breach by moving beyond the commonly used 'tit for tat' explanation. In this dissertation, I have focused on employee responses beyond those targeted at the 'guilty' party and have used several theoretical frameworks to explain such responses. Moreover, I have moved beyond 'tit for tat' by considering intervening stages between the initial perception of organization psychological contract breach and an employee's ultimate response to breach.

#### **6.5.1.2 Psychological contract breach: A neglected variable in leadership research**

The psychological contract and leadership literature seem to exist largely independently of one another. Although a link has been made between psychological contract theory and LMX, this link is based on social-exchange theory and has not considered the relevance of psychological contracts for addressing important gaps in the leadership literature. Yet, when considering some recent calls for research (e.g., Yukl, 2012), the results presented in this dissertation point to the significance of including psychological contract breach as an important variable in studies on leadership. In the following sections, I will explain this in more detail.

Yukl (2012) pointed out that whether or not specific leader behaviors turn out to be effective or not depends upon the situation. He indicates that leaders need to be able to assess a particular situation and based on their assessment employ those behaviors that have proven to be effective in those situations. However, despite the importance of context, Yukl (2012) points out that “there is little systematic research to identify situations where specific leader behaviors are most likely to impact performance outcomes” (p. 77). Considering that psychological contract breach is perceived quite frequently within organizations (Conway & Briner, 2002; Robinson & Rousseau, 1994), it is highly likely that managers will encounter situations in which direct reports have experienced that the organization has not fulfilled its obligations toward them. Hence, these managers need to be able to effectively support employees who have experienced these situations such that the effects of breach on employee behaviors are minimal. The results of this dissertation show that the situation, or the type of breach experienced, is crucial for identifying which behaviors need to be employed. That is, while opportunity-enhancing practices were effective for reducing the negative effects of organizational policies breach, in situations in which employees experienced rewards breach, these behaviors were not effective. Instead, in the context of rewards breach, motivation-enhancing practices are particularly useful.

Since psychological contract scholars predict that employee perceptions of breach will remain part of organizational life (e.g., Zagenczyk, Gibney, Kiewitz, & Restubog, 2009), I suggest that organization psychological contract breach is an important contextual variable to consider in leadership research. This dissertation has already provided some important insights, however as suggested by Yukl (2012), more systematic research is needed. Consequently, in future research, leadership scholars should further consider which types of manager behaviors are most effective in response to different types of breach. Moreover, as the investigation in this dissertation

was limited to only a few employee responses, more outcomes should be considered in future research.

In addition to being an important contextual variable, perceptions of manager breach (or fulfillment) can also be considered an important predictor variable. Yukl, O'Donnell, and Taber (2009) call for more research on antecedents of LMX. According to these scholars, existing LMX research has largely focused on consequences associated with LMX and less on its antecedents. Moreover, when antecedents were considered these were mainly related to manager and employee attributes (Yukl et al., 2009). In addition, Buch et al. (2014) have also called for more research on the antecedents of ELMX. Based on the results of the studies presented in this dissertation, I suggest that the leadership literature focus more attention on the role of manager's fulfillment (or breach) of promises. Not only does this have important implications for LMX research, it also has important implications for outcomes targeted at the manager as well as the unit or department.

It is quite surprising that leadership scholars have hardly considered the role of manager promise breaking for employee outcomes or the effectiveness of leadership behaviors or styles. For example, promise breaking may nullify the positive effects of leader behaviors (such as transformational, participative, or empowering leader behaviors) on desirable employee outcomes. Hence, leadership research should also consider examining the moderating role of manager psychological contract breach.

### **6.5.2 Limitations**

This dissertation consists of a number of empirical studies, each with its own strengths and limitations. The shortcomings of the individual studies have already been discussed in their relative chapters, yet there are also several limitations that apply to the dissertation as a whole. These limitations are related to the nature of the empirical studies presented in the thesis, the generalizability of the findings, and the fact that the sources of breach (i.e., organization and manager) were examined independent of each other. In the following sections, each of these limitations will be described in more detail.

#### **6.5.2.1 Nature of empirical studies**

An important limitation of this dissertation is that the quantitative studies were based on self-report, single-source data. Moreover, the data for the quantitative studies were all collected via surveys, and most of these studies employed a cross-sectional design.

#### ***Causality***

Due to the cross-sectional design of the studies, I was not able to test causality. Hence, the direction of the relationships needs to be further examined. For example, some scholars have suggested that LMX predicts psychological contract breach (e.g., Henderson, Wayne, Shore, Bommer, & Tetrick, 2008; Suazo, Turnley, & Mai-Dalton, 2008). Yet, drawing on previous conceptual (e.g., Rousseau, 1998) and empirical work (e.g., Chaudhry & Tekleab, 2013; Restubog, Bordia, & Bordia, 2011), I proposed the opposite; psychological contract breach influences LMX. Consequently, in order to reduce concerns about possible reverse causality (as suggested by Henderson et al., 2008 and Suazo et al., 2008), I examined alternative models in which LMX predicted psychological contract breach. Although the results provided support for the hypothesized relationships and not the reverse relationships, it is likely that the relationship between breach and LMX is recursive. Therefore, longitudinal research should be conducted to further examine the relationship between these constructs.

#### ***Common method variance***

Studies based on self-reported, single-source, cross-sectional studies can be influenced by common method variance (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Several remedies and statistical tests have been proposed in the literature (e.g., Chang, Van Witteloostuijn, & Eden, 2010; Conway & Lance, 2010; Podsakoff et al., 2003). According to Conway and Lance (2010), “one way to rule out substantial method effects is to demonstrate construct validity of the measures used” (p. 329). Others recommend conducting posthoc analyses such as Harman’s single factor test or through including a common latent method factor in a confirmatory factor analysis (e.g., Chang et al., 2010; Podsakoff et al., 2003). Throughout the quantitative studies in this dissertation, several methods were used to examine the potential influence of common method variance. Results showed that common method variance was not a significant concern in the data presented in this dissertation.

#### ***Data collection methods***

Finally, the majority of data was collected via surveys. Although most surveys used in this dissertation were based on previously validated questionnaires, two

questionnaires (ability, motivation, and opportunity-enhancing manager practices, and manager psychological contract breach) were composed in this dissertation. It was necessary to come up with new questionnaires for these variables due to a lack of knowledge and validated questionnaires for these specific constructs. Although it was not the goal to develop and validate measures for these constructs, it was important to ensure sufficient reliability and validity of the measures used in this dissertation. Although confirmatory factor analyses provided sufficient support for the validity of these scales, future research is needed with both scales to further refine and develop them. For example, some managerial behaviors had to be discarded from the opportunity-enhancing practices subscale. In addition to the challenges discussed related to the scales used in this dissertation, studies employing other methods such as experimental designs, vignette studies, and daily diary methods should be used. Such studies can add considerably to our understanding of the role of supervisory leadership in the context of psychological contract breach.

#### **6.5.2.2 Generalizability**

An elaborate focus on the role of supervisory managers in the psychological contract framework is considered an important contribution of this dissertation. Especially for organizations with a hierarchical structure, a focus on the role and relationship with one's supervisory manager (i.e., line manager) is important (Sparrowe & Liden, 1997). However, a sole focus on the role of supervisory managers may be less relevant to project oriented or matrix organizations (e.g., Sparrowe & Liden, 1997). Keegan, Huemann, and Turner (2012) explain that most project oriented organizations "are organized in a matrix structure where the line and project organizations exist alongside each other, employees are housed in the line organization for administrative purposes, and projects are resourced from the line as and when needed" (pp. 3087-3088). Within project oriented organizations, tensions can arise between control organized at the hierarchical level and control organized at project levels (Keegan et al., 2012). Within such organizations, daily work supervision is often provided by project managers, while longer-term supervision including career, performance and rewards fall under the responsibility of line managers. Yet, Keegan et al. (2012) point out that project managers may have conflicts with line managers over personnel allocation. Moreover, employees might be conflicted between the commands provided by the project versus the hierarchical level (Keegan et al., 2012). Considering the important role of project managers, and the tensions between line and project managers in project oriented organizations, a specific focus on supervisory managers does not seem to adequately capture all the important psychological contract foci in this setting. In these organizations, it is important to move beyond the organization

and supervisory manager as other party to the psychological contract, and also focus on project managers. It would be very interesting to research whether supervisory managers are able to reduce negative effects of breaches caused by project managers and vice versa. Moreover, considering that projects are temporary and employees are likely to work on several projects at a time (Keegan et al., 2012), it is very interesting to determine how the temporariness experienced in these types of organizations affects perceptions of psychological contracts and psychological contract breach.

#### **6.5.2.3 Independent examination of organization and manager breach**

In this dissertation, the distinction between organization and manager psychological contract breach was largely taken as a given. The results of previous research provided support for the distinction between organizations and managers as the source of breach (Baccili, 2001; Bordia et al., 2010; Chambel, 2014; Chaudhry & Tekleab, 2013). The difference between the organization and the manager as source of psychological contract breach was only examined in the qualitative study presented in chapter 3 of this dissertation. Of all the breaches discussed by employees, only for some situations the manager was believed to be (partly) responsible for the breach. Based on the results of this study as well as previous conceptual (e.g., Coyle-Shapiro & Shore, 2007; Rousseau, 1995) and empirical work (e.g., Bordia et al., 2010; Chambel, 2014), there seemed to be sufficient justification for considering organization and manager psychological contract breach as separate constructs. Therefore, in studies specifically focusing on organization psychological contract breach it was not necessary to include a measure of manager breach. Similarly, in studies examining manager psychological contract breach, it was not necessary to examine organization breach as well. Although it does not seem to be a serious concern that this dissertation has separately examined organization and manager breach, not including these concepts within the same study does have certain limitations.

Despite the fact that conceptual and empirical work has provided support for the distinction between these two types of breach, scholars often regard organization breach to be the same as manager breach. To illustrate, Alcover, Rico, Turnley, and Bolino (2016) point out that “it is often taken for granted that the organization is represented by a single person (most often the employee’s direct supervisor or line manager)” (p. 5). Yet, as I explained in the introductory chapter of this dissertation, there are important differences between employee-organization and employee-manager psychological contracts in terms of parties to the contract, types of obligations underlying the contract, and attributions for psychological contract breach. However,

due to mixed perceptions regarding the distinction between manager and organization psychological contract breach, it is important to include both types of breach within the same study. By including both concepts within one study, discriminant validity can be established. However, more importantly, by including both types of breach, scholars are able to examine differential effects of manager psychological contract breach. For example, Conway et al. (2014) found that organization psychological contract breach did not affect citizenship behaviors targeted at coworkers, while the results of the third study presented in chapter 5 of this dissertation showed that manager breach negatively affected citizenship behaviors toward coworkers. Is this difference in results based on the difference in research contexts and samples examined or is this difference caused by the difference in the source of breach (i.e., organization versus manager) examined? It is important to conduct future research to examine the relationships between manager breach, organization breach, and employee responses targeted at different parties within the same study. Moreover, Bordia et al. (2010) found initial support for trickle-down effects of organization psychological contract breach. Hence, by including both types of breach in future research, scholars are able to further examine these trickle-down effects.

### **6.5.3 Recommendations for future research**

This dissertation considered a number of important issues regarding the role of an employee's immediate manager in the psychological contract framework. Although the results presented in this dissertation have made important contributions to psychological contract theory, there are still a number of issues that should be further examined in future research. First, I discuss implications for future research that specifically focus on the role of the manager in the psychological contract framework. In addition to recommendations regarding the role of the manager, the results presented in this dissertation also present some interesting avenues for future research on psychological contracts and psychological contract breach in general. In the final parts of this section, I discuss these more general research implications.

#### **6.5.3.1 Measures of manager psychological contract breach**

Although some scholars have examined manager psychological contract breach (e.g., Botsford Morgan & King, 2012; Bordia et al., 2010; Chambel, 2014; Chaudhry & Tekleab, 2013) there are limitations to the measures that were used in these studies. In most measures the instructions for respondents clearly indicated that respondents



should consider the extent to which managers fulfilled the obligations, yet the actual items used were similar to items used in measures of organization psychological contract breach. Hence, these items focused on obligations related to the organizational strategy such as healthcare benefits and pay for performance systems. A focus on such obligations is an important limitation as it is uncertain if such measures truly capture obligations for which the manager is responsible. Hence, it cannot be concluded with certainty that existing research has been able to capture manager psychological contract breach. Therefore, more work is needed to develop appropriate measures of manager breach. Particularly in the second and third studies presented in chapter 5 of this dissertation (in study 1 I included a global manager breach measure), I tried to address the limitations of previous measures by only including items that are under a manager's control and by ensuring that items were not formulated as a broad obligation related to the organization's strategy. In the second study, I wanted to include a facet-based measure of manager breach which would include different dimensions of manager breach, however, based on the results of the exploratory and confirmatory factor analysis, the retained dimensions did not show enough discriminant validity. Hence, I was unable to focus on specific dimensions of manager breach. Consequently, future research is needed, incorporating both inductive and deductive approaches, to develop and validate a facet-based measure of manager psychological contract breach.

The measure used in the third study presented in chapter 5, which was developed from, but made important changes to the measure used by Botsford Morgan and King (2012), is an appropriate aggregate measure of manager psychological contract breach. However, similar to my recommendations for research on organization psychological contract breach, it is particularly valuable to focus on specific dimensions of manager breach. Thus, although this aggregate measure can be used in future research, I stress the importance of developing a facet-based measure of manager breach. The use of such a measure would enable researchers to determine which dimensions of manager breach have the most profound effect on ELMX, SLMX, and employee responses targeted at different parties. Such findings would also provide important implications for supervisor psychological contract management.

#### **6.5.3.2 The other side of the employee-manager psychological contract**

The studies presented in this dissertation focused on the employee's perception that the other party to the psychological contract (i.e., organization or one's immediate manager) failed to keep its commitments vis-à-vis the employee. A focus on employee

perceptions is suggested to have the most profound effect on work-related attitudes and behaviors (e.g., Conway & Briner, 2005; Rousseau, 1989). Consequently, psychological contract scholars believe that “there is sufficient justification to study the psychological contract construct as a subjective employee-level phenomenon” (Chaudhry & Tekleab, 2013, p. 169). Nevertheless, consideration of the extent to which an employee has fulfilled or failed to fulfill his or her side of the deal can also be very valuable.

Chen, Tsui, and Zhong (2008) examined manager responses to perceptions of employee breaches of obligations. They found that when managers perceived that employees did not fulfill their obligations, managers reduced the level of mentoring behaviors provided. Moreover, employee psychological contract breach was negatively related to LMX quality (Chen et al., 2008). The study by Chen et al. (2008) showed the importance of fulfillment (or breach) of the employee side of the psychological contract for manager behavior. Consequently, it is essential that future research examining the role of the manager in the psychological contract framework also consider perceptions of employee psychological contract breach. Considering the dyadic process model described in chapter 4, it is interesting to examine employee breach as an additional facilitator of the manager side of the escalation spiral.

A particularly interesting avenue for future research would be to examine whether there are differences in employee obligations underlying the employee-organization psychological contract and employee obligations underlying the employee-manager psychological contract. Based on the results presented in chapter 5 of this dissertation, it is suggested that extra-role behaviors targeted at the work unit (e.g., proactive behaviors and helping behaviors toward coworkers) underlie the employee-manager psychological contract. Other obligations such as attending non-obligatory organizational functions or taking part in organizational community work are more likely to underlie the employee-organization psychological contract. However, at this moment, it is not clear which obligations underlie the employee-manager psychological contract, and considering the relevance of employee breach, it is important to further explore this topic. Moreover, it is interesting to examine whether managers respond differently to breaches of employee obligations they find particularly important versus those that they consider less important. Finally, following suggestions made by Chen et al. (2008), it is important to examine whether managers respond differently when breaches of obligations are perceived to be beyond the employee's control.

#### **6.5.3.3 Exploration of the embeddedness among multiple psychological contracts**

Based on the mutual dependency approach (Bordia et al., 2010; Conway et al., 2014) referred to in chapter 5, it is important that future research consider to what extent the psychological contract with one party is embedded in psychological contracts with other parties. To illustrate, Bordia et al. (2010) suggested that when managers perceive a breach of their psychological contract with the organization, they are less likely to fulfill their obligations vis-à-vis employees. Thus, the employee-manager psychological contract seems to be embedded in the manager-organization psychological contract. Bordia et al. (2010) provided initial support for this claim by showing that manager perceptions of organization psychological contract breach negatively affected their citizenship behaviors toward employees which in turn affected employee's perceptions of manager psychological contract breach. Although initial support has been provided for this trickle-down relationship, it is important to examine whether this trickle-down model is applicable beyond manager-organization and employee-manager psychological contracts. For example, the results presented in chapter 5 suggest that when employees perceive a breach of manager obligations they are likely to respond by reducing citizenship behaviors toward coworkers. By reducing extra-role behaviors directed at coworkers this is likely to affect the employee's psychological contract with the work group. Hence, perceived breaches of the employee-manager psychological contract are likely to result in perceived breaches of the employee-work group psychological contract. Therefore, future research should focus on how the psychological contract between two parties is embedded within other psychological contracts and whether perceived breaches within one psychological contract can trickle down to effect perceptions of breaches of other psychological contracts.

#### **6.5.3.4 Exploration of other outcome variables in psychological contract research**

Adding to existing research (e.g., De Vos & Meganck, 2008), the results presented in chapters 2 and 3 have shown the importance of focusing on dimensions of psychological contract breach. That is, while some dimensions were more likely to affect certain outcomes, other dimensions more significantly impacted other outcomes. Similar to the results of De Vos and Meganck (2008), breaches of work-life balance obligations did not significantly predict any of the outcome variables included in this dissertation (i.e., psychological contract violation, affective commitment, turnover intentions). A possible reason for this finding is that these types of obligations are more important for employee outcomes that were not considered in these studies. For example, existing research that focused on the link between flexibility (e.g.,

providing employees the opportunity to schedule their work days) and employee outcomes found that when organizations provided such practices employees were more engaged (Richman, Civian, Shannon, Hill, & Brennan, 2008) and reported fewer somatic complaints (Thomas & Ganster, 1995). Inversely, it is likely that when such work-life practices are not provided engagement decreases and employees experience negative health effects. Therefore, future research could benefit from focusing on employee well-being and health-related outcomes in response to work-life balance breach.

Similar to De Vos and Meganck (2008) and Lub et al. (2016) breach of reward obligations had a less profound impact on the outcome variables included in the second study in chapter 3 than some of the other dimensions of breach such as social atmosphere and job content breach. Consequently, it is important to examine outcomes that are particularly strongly affected by rewards breach.

The results of the analyses presented in the second study of chapter 3 show that career development obligations do not affect any of the outcome variables (violation, commitment and turnover intentions). This result is largely similar to the findings of Lub et al. (2016) who found that career development breach did not affect turnover intentions and only affected commitment for the baby boom generation. However, these results are different from those by De Vos and Meganck (2008), who found that career development breach had the most profound impact on the outcomes variables included in their study. This result might be related to the outcome variables studied. That is, while all three studies included a measure of turnover intentions, De Vos and Meganck (2008) focused on loyalty and job search behavior. Moreover, while the measure used in this dissertation was also employed by Lub et al. (2016), De Vos and Meganck (2008) used a slightly different measure. Although the difference in measurements and outcome variables has likely played a role in these mixed findings, more systematic research is needed to examine the differential effects of different dimensions of psychological contract breach.

#### **6.5.4 Practical recommendations**

One of the shortcomings of existing research was the limited focus on concrete manager behaviors in the context of organization psychological contract breach. Moreover, studies examining the spillover effects of manager breach on employee responses to other targets was also scarce. Since the studies presented in this

dissertation address these shortcomings, the results of this dissertation offer valuable insights for managers regarding behaviors and practices they can employ in the context of breach and important issues they must consider when an employee has perceived a breach of manager obligations. However, considering that more research on the role of the manager in the psychological contract framework is needed to replicate the findings presented in this dissertation, the managerial recommendations presented in this section are not set in stone. These recommendations are offered as useful insights or important issues managers should consider when confronted with employee perceptions of organization and manager psychological contract breach. In this section, I provide five important managerial insights and discuss each of them in more detail.

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**Mending fences:**

**Ability, motivation, and opportunity enhancing practices**

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The results of the studies presented in chapters 2 and 3 indicate that there are specific behaviors managers can use to reduce the negative effects of organization psychological contract breach. While the scope of chapter 2 was limited to providing fair, honest and timely communications, chapter 3 extended these findings by developing a framework of supportive manager behaviors through a qualitative study among employees and managers, and by subsequently testing the mitigating role of this framework in the context of organization psychological contract breach. The most important conclusion that can be drawn from these two chapters is that managers play an important role in mending breaches perceived in the employee-organization psychological contract. Three categories of managerial practices were identified that managers can use to mitigate the negative effects of organization psychological contract breach. These three types of practices are ability, motivation, and opportunity enhancing practices.

Scholars point out that breaches of organizational obligations are part of organizational life (Zagenczyk et al., 2009). The qualitative study presented in chapter 3 of this research as well as existing research (e.g., Baccili, 2001) have shown that employees turn to their managers when they have experienced a breach of obligations. Therefore, it is highly likely that managers will be confronted with employees who have experienced psychological contract breach. Consequently, it is important that organizations, for example through leadership and management development programs, make managers aware of these experiences. Moreover, organizations should explain the types of practices (ability, motivation, and opportunity-enhancing

practices) that employees consider supportive and helpful in the context of breach. Within these training programs, there should be enough consideration for the specific types of breach perceived and the use of multiple types of practices. These two additional recommendations will be discussed next.

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**Employing supportive managerial practices:  
Context is key**

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Ability, motivation, and opportunity-enhancing practices are considered useful for reducing an employee's negative reactions to organization psychological contract breach. Yet, the results presented in this dissertation suggest that a manager cannot simply select one of these practices based on his or her own preference. To be more specific, some breaches require a specific category of supportive behaviors. For example, results of both the qualitative and quantitative studies presented in chapter 3 indicated that managers should use motivation-enhancing practices to mitigate negative employee responses to breaches of reward obligations. Hence, if managers try to mitigate the unfavorable outcomes of this type of breach with only opportunity-enhancing practices or only ability-enhancing practices, they will likely not be very effective. Moreover, the results of both the qualitative and quantitative study showed that opportunity-enhancing practices are important for reducing the negative effects of organizational policies breach. Hence, if managers are faced with an employee who has experienced organization psychological contract breach, it is essential that managers first find out which type of obligation was broken and then select the appropriate managerial practice to reduce the negative responses to this specific type of breach. Although the results across two studies showed the importance of motivation-enhancing practices for breaches of reward obligations, and opportunity-enhancing practices for breaches of organizational policies obligations, more work is needed on the type of behaviors managers should use with other types of breach.

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**Combining supportive managerial practices:  
The whole may be greater than the sum of its parts**

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As previously indicated, when selecting whether to use ability, motivation or opportunity-enhancing practices it is crucial to consider the type of organization breach that needs to be mended. Yet, results of the qualitative and quantitative studies presented in chapter 3 also showed that for some types of breaches it is better to combine different categories of supportive managerial practices than only using

practices from one category of supportive practices. For example, the results of the interview study showed that managers used opportunity-enhancing practices in addition to ability-enhancing practices when confronted with employee perceptions of job content breach. The results of the quantitative study also showed that when both of these types of supportive practices were employed, the positive relationship between job content breach and turnover intentions was smaller than when managers only employed one of these types of behaviors. Thus, managers must be aware that under some circumstances, employing behaviors belonging to only of the categories of supportive practices will not lead to favorable outcomes, but that behaviors from different categories must be combined to achieve the desired outcome. Hence, Yukl's (2012) statement regarding patterns of leader behavior, "the whole is greater than the sum of its parts" (p. 76) is likely to also hold up in the context of some organizational breaches.

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**Employee considerations when responding to breach:**  
**'Unintentionally or accidentally on purpose?'**

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Employees are likely to turn to their immediate manager when they have perceived a breach of organizational obligations. Managers must be aware that the strategy which an employee uses to express his or her disappointment or dissatisfaction about the perceived organization psychological contract breach is likely to depend on the employee's view of whether or not the organization purposefully failed to fulfill its obligations. As proposed in chapter 4, an employee is more likely to use an ineffective strategy to express disappointment about a perceived breach when he or she believes the organization failed to provide inducements on purpose than when the employee believes it was beyond the organization's control. It is important that managers are aware of the employee's views regarding the intentionality of organization psychological contract breach. However, this might be quite difficult as previous research has shown that while employees are most likely to perceive that the organization purposefully failed to keep promised commitments, managers are likely to perceive that the breach of obligations was outside of the organization's control (Lester, Turnley, Bloodgood, & Bolino, 2002). Consequently, managers must also be aware that their perception of the cause of the breach is likely to differ from the employee's perception. According to the qualitative study presented in chapter 3, and particularly the interviewee accounts provided by the managerial sample, it is important to take the employee's concern seriously. Even if a manager may not agree, it is essential to consider the employee's perception, and use opportunity-enhancing practices, such as conferring, to discuss the situation with the employee.

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**Employee responses to manager breach:  
What happens in the dyad *does not* stay in the dyad**

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The results of the studies presented in chapter 5 showed that what happens within an employee-manager dyad is not limited to this specific dyad. That is, perceptions of manager breach spill over to affect responses targeted at parties not involved in the dyadic exchange agreement, whereas the quality of the employee-manager relationship also affected attitudes and behaviors toward other parties. These findings have very important implications, particularly since breaches of manager obligations negatively affect citizenship behaviors directed at coworkers. It is crucial that managers are aware that a deteriorating relationship with one of his or her employees may spill over to affect the atmosphere and productivity of the work unit. Moreover, when one direct report perceives that the manager has not fulfilled promises, the responses of this employee may also negatively affect the work-unit for which the manager is responsible. Consequently, it is important that managers try to minimize the perceptions of manager psychological contract breach. Based on Levinson, Price, Munden, Mandl, and Solley (1962), Conway and Briner (2005) have suggested that managers monitor an employee's emotions for early signs of breach. For example, emotions such as frustration may signal an employee's disappointment with promised obligations having been put off (Conway & Briner, 2005). Other suggestions for preventing perceptions of breach is to be careful in how messages are conveyed and refraining from overpromises (Conway & Briner, 2005). In the event that an employee does perceive manager psychological contract breach, a manager should try to mend the situation as soon as possible such that negative responses do not spill over to affect other employees within the work-unit. A study by Botsford Morgan and King (2012) showed that perceptions of manager breach can be mitigated by supervisory interactional justice. Since practices falling under supervisory interactional justice are subsumed within the category opportunity-enhancing practices, there is some support that opportunity-enhancing practices are capable of reducing the negative consequences of manager psychological contract breach. Yet more research is needed on the mitigating role of manager behaviors in the context of manager psychological contract breach.



## 6.6 Concluding remarks

The title of this dissertation begins with the question, 'Beyond repair?'. This question was triggered by the fact that there is a vast amount of research that has linked organization psychological contract breach to negative outcomes such as reduced commitment, performance, organizational citizenship behavior, and increased turnover intentions and deviant workplace behavior, yet only very little research has focused on what can be done to reduce the adverse consequences of breach. This begs the question of whether situations in which employees have experienced psychological contract breach are hopeless or whether it is possible to reduce the negative effects associated with perceived psychological contract breach. Based on the results presented in this dissertation, I conclude that situations in which employees have experienced organization psychological contract breach are certainly not beyond repair. I particularly see a key role for an employee's immediate manager in reducing the negative responses to breach. That is, the results of this dissertation showed that managers are able to mitigate the negative effects of organizational psychological contract breach by employing supportive managerial practices (i.e., ability, motivation, and opportunity-enhancing practices). Nevertheless, managers need to carefully consider the type of breach an employee has perceived and use this information to select the appropriate type of managerial practice or combination of managerial practices.

In addition to examining the role of immediate managers in the context of organization psychological contract breach, this dissertation also focused on supervisory leadership in the context of perceptions of manager psychological contract breach. According to the results presented in this dissertation, perceptions of manager psychological contract breach have widespread effects, affecting not only the employee-manager dyad, but also affecting supportive behavior towards coworkers and discretionary behavior targeted at the organization as a whole.

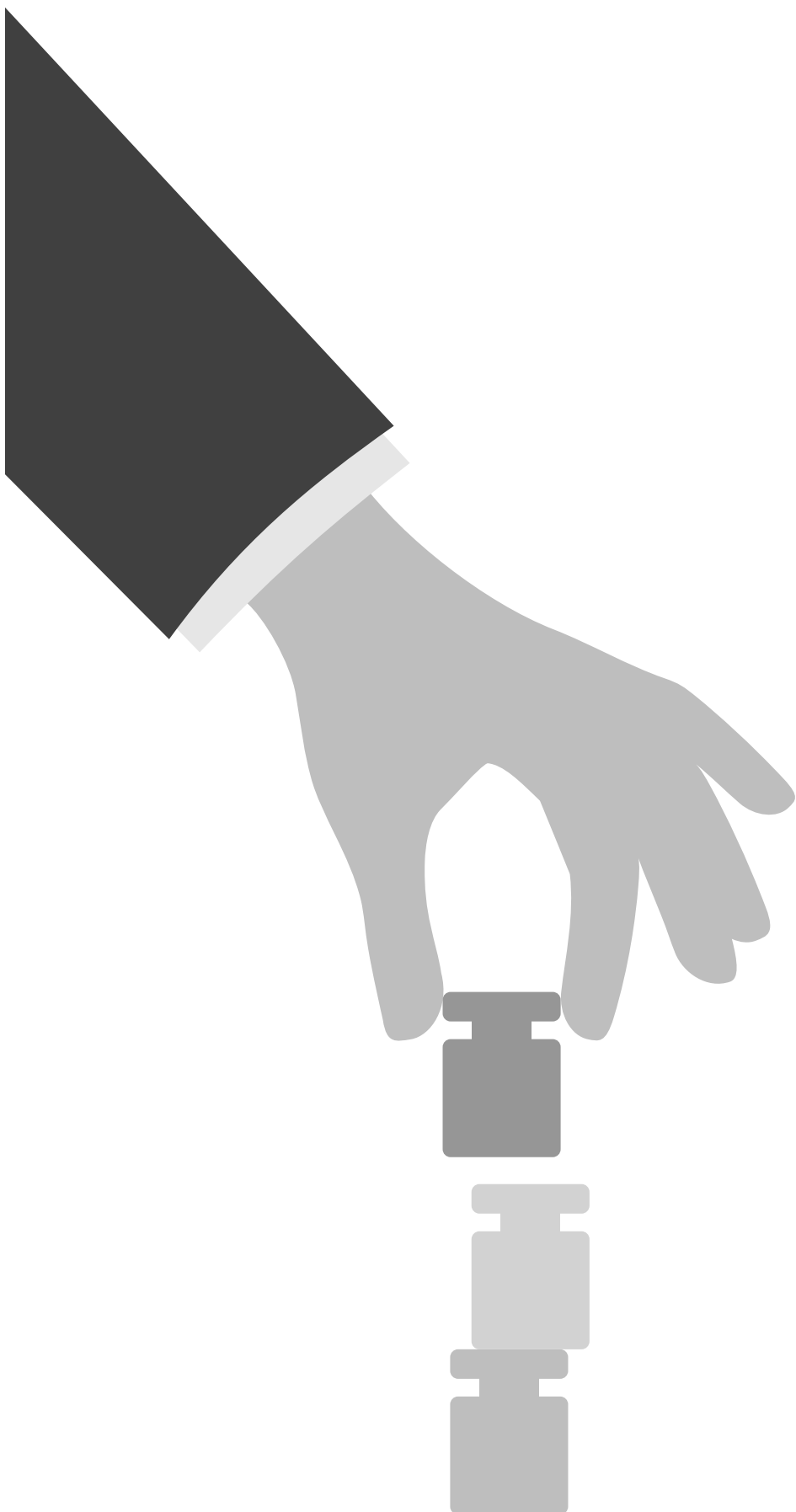
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# Appendices

Appendix A: Supplements chapter 1

Appendix B: Supplements chapter 3

Appendix C: Supplements chapter 5







## Appendix A: Supplements Chapter 1

### A.1 Search strategy & inclusion criteria

I used different strategies to search for existing studies on the moderating role of manager variables in the relationship between breaches of organization obligations and employee outcomes. I used Ebscohost to perform electronic searches in the following online databases, Business Source Complete, Psychology and Behavioral Sciences Collection, and PsycINFO. I used the following search terms 'psychological contract breach' and 'PCB' combined with 'supervisor support', 'manager support', 'leader-member exchange', and 'LMX'. I used psychological contract breach and PCB because these terms are generally used to indicate breaches of the employee-organization psychological contract. To ensure that my search was exhaustive, I performed a complementary search in Google Scholar with similar terms. Additionally, I examined the reference lists of the articles I had found to check whether I had not missed any relevant articles.

During the search process, I read the titles and abstracts to ensure that the following criteria were met, 1) the study was quantitative in nature (as opposed to qualitative or conceptual), 2) the study focused on the *moderating role* of the manager variable in the relationship between breaches of organization obligations and employee outcomes. Based on these initial inclusion criteria, a number of articles were excluded at this stage. For example, one study (Restubog, Bordia, & Bordia, 2011) was excluded as it focused on the mediating as opposed to the moderating role of LMX in the PCB-employee outcomes relationship. Another study (Suazo, Turnley, & Mai-Dalton, 2008) was excluded as it focused on LMX as a predictor of perceptions of breach. Furthermore, two studies (Griep, Vantilborgh, Baillien, & Pepermans, 2016; Katrinli, Atabay, Gunay, & Cangarli, 2011) were excluded as they focused on the moderating role of LMX in the relationship between psychological contract violation and employee perceptions and behaviors. Since I specifically focus on breaches of organization obligations as opposed to feelings of violation, these studies did not fit within the scope of the review. Based on the search strategy and initial screening process, I identified ten suitable articles. Since all articles were conducted among a sample of employees (as opposed to students with no or hardly any work experience), and therewith fit the last inclusion criteria, all articles were retained in the final sample.

## A.2 Coding strategy

I manually coded the ten studies according to the following six themes:

1. Author(s) and year of publication
2. Sample size(s) and design of study / studies
3. Measure used to assess breaches of organization obligations (i.e. psychological contract breach)
4. Moderator variable (i.e., manager variable, for example LMX)
5. Outcome variable(s)
6. The results reported in the article pertaining to the moderating role of the manager variable in the PCB-employee outcomes relationship

It is important to note that not all findings reported in the articles were coded. For example, while Francisco (2015) examined the moderating role of LMX, locus of control, and the joint interactive effect of these variables in the relationship between breach and OCB, I only included the results reported by the authors regarding the moderating role of LMX in this relationship. I took a similar approach with regard to the study performed by Stoner et al. (2011) who considered the moderating role of LMX, family support and the joint interactive effect of these variables in the relationship between breach and turnover intentions. Since the scope of my review was limited to the moderating role of manager variables, joint interactive effects of LMX and other variables fell outside the scope of my review.

Additionally, it is important to point out that although sometimes more than one study was reported in the identified articles, if only one study fit the scope of the review, the other study was not considered. For example, Zagenczyk et al. (2009) conducted two studies on the moderating role of mentoring relationships, supervisor support, and role models in the relationship between breach and perceived organization support. These authors only examined the moderating role of mentoring relationships in the first study, whereas the moderating role of all three variables was assessed in the second study. Since mentoring relationships were, for the vast majority of the respondents, based on informal roles (Zagenczyk et al., 2009) this could not be considered a manager variable. The same holds true for role models. Therefore, I only included the results reported by the authors pertaining to the moderating role of perceived supervisor support in the relationship between PCB and perceived organization support.

## Appendix B: Supplements Chapter 2

### B.1 Informed Consent Form, Study 1 – Dutch

Er is mij uitgelegd wat het doel, de opzet en de procedure van het onderzoek ‘*management van het psychologisch contract*’ zijn. Ik heb de tijd gehad om vragen te kunnen stellen over het onderzoek, de procedure en mijn deelname aan het onderzoek.

Ik weet dat mijn deelname aan het onderzoek anoniem is. Dit betekent dat mijn gegevens volstrekt vertrouwelijk zullen worden behandeld, dat mijn naam niet in rapporten, presentaties of wetenschappelijke publicaties zal worden genoemd, en dat mijn leidinggevende, leden van het MT, en mede collega’s niet op de hoogte zullen worden gebracht van mijn persoonlijke antwoorden.

Ik ben geïnformeerd dat het interview waaraan ik deelneem met een voicerecorder wordt opgenomen. Deze audio opname wordt alleen door het onderzoeksteam gebruikt en zal niet worden gedeeld met andere partijen. Ik geef hierbij toestemming aan het onderzoeksteam om de audio opname te gebruiken voor wetenschappelijke doeleinden.

Als het onderzoeksteam op anonieme wijze een quote van mij wil gebruiken in een rapportage of wetenschappelijke publicatie over dit onderzoek dan geef ik hier nu toestemming voor/ wil ik dat het onderzoeksteam eerst contact met mij opneemt om mijn toestemming te vragen/geef ik hier geen toestemming voor\*

\*doorhalen wat niet van toepassing is

Datum:

Handtekening:

RESPONDENTNUMMER:

## B.2 Items ability, motivation, and opportunity enhancing practices

Table B.2

*Items ability, motivation, and opportunity enhancing practices*

Category	Sub dimension	Item
Ability	Coaching	My manager teaches me specific job-related or technical skills <sup>a</sup>
		My manager encourages me to try new ways of behaving in my job <sup>a</sup>
		My manager gives me support and feedback regarding my performance <sup>a</sup>
	Providing training opportunities	My manager helps me to analyze my performance <sup>b</sup>
		My manager provides me with the opportunity to follow training, courses, and workshops <sup>c</sup>
Motivation	Compensate	My manager suggests training that might be of benefit to me <sup>a</sup>
		My manager tries to make up for the loss of promised organizational inducements by offering me something of a roughly equivalent value <sup>*</sup>
		My manager is willing to accommodate my needs when a loss of promised organizational inducements negatively affects my work situation <sup>*</sup>
	Deliver on breached obligation	My manager encourages higher management to fulfill broken promises, albeit at a later time <sup>*</sup>
		My manager goes out of his/her way to ensure that unfulfilled obligations are still fulfilled <sup>*</sup>
Opportunity	Listen empathically	My manager listens to me and understands any real concerns I might have <sup>a</sup>
		My manager treats me with kindness and respect <sup>d</sup>
	Provide adequate explanation	My manager is honest in his/her communications to me about organizational procedures that affect me <sup>e</sup>
		My manager communicates details about organizational procedures that affect me in a timely manner <sup>e</sup>
	Confer	My manager provides the opportunity to express my views and feelings during organizational procedures that affect me <sup>e</sup>
		My manager gives me the opportunity to appeal outcomes of organizational procedures that affect me <sup>e</sup>
	Address employee concerns	My manager makes sure important organizational players are aware of my dissatisfaction with organizational procedures that have affect me <sup>*</sup>
		My manager takes action on things brought up by me <sup>f</sup>
	Navigate organizational playing field	My manager provides me with the opportunity to work on high visibility projects/tasks <sup>c</sup>
		My manager provides me with the opportunity to work with people who can influence my career <sup>a</sup>

a = Kidd & Smewing, 2001; b = Heslin et al., 2007, c = Boon et al., 2011, d = Botsford Morgan & King, 2011, e = Colquitt, 2001, f = Detert & Burris, 2007, \* = self-written

## Appendix C: Supplements Chapter 5

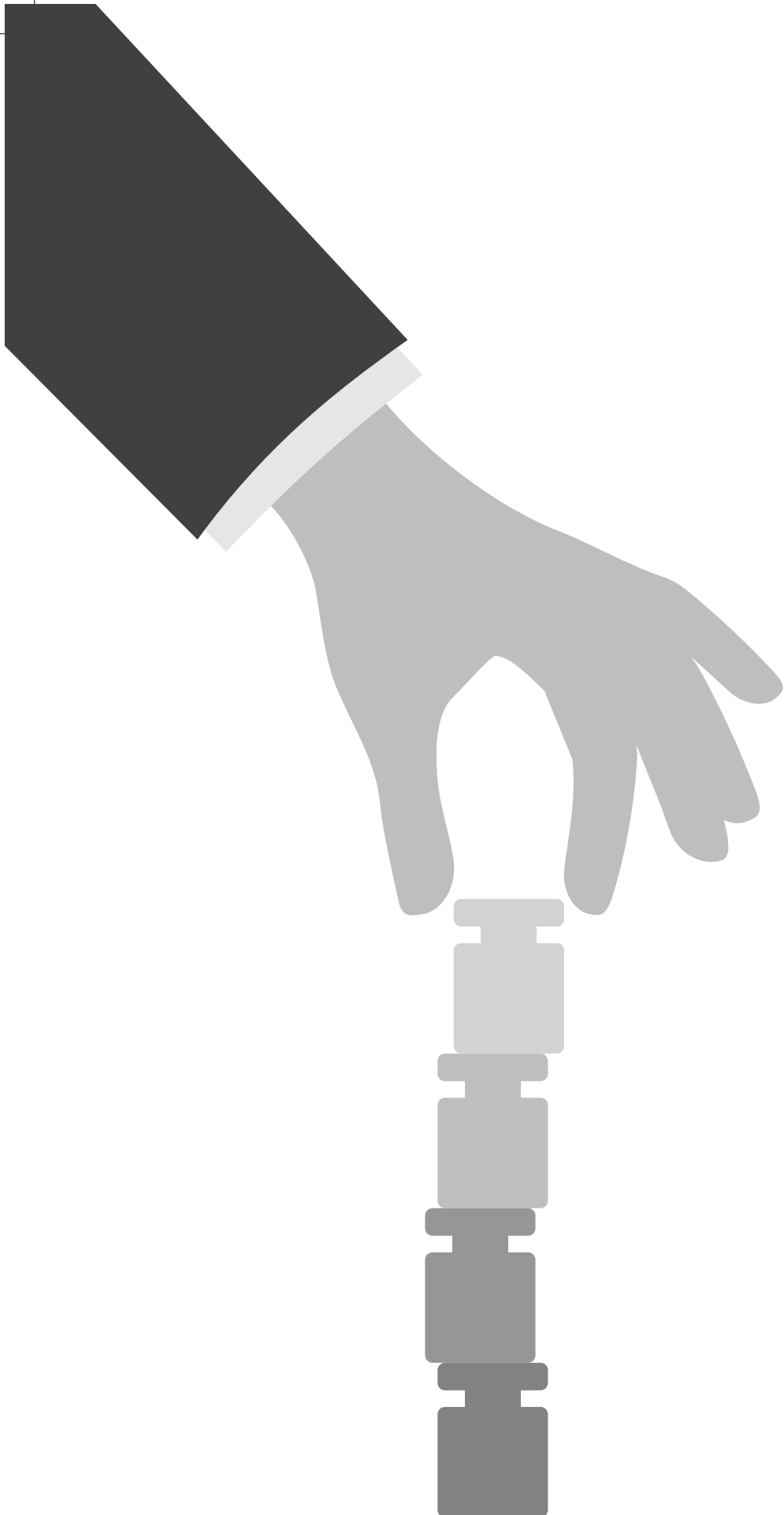
### C.1 Reversed relationships, Study 1 – MPCB as a mediator between SLMX and job satisfaction

Table C.1

*Mediating role of MPCB in the relationship between SLMX and job satisfaction*

Simple Mediation Model				
SLMX, MPCB and job satisfaction				
Direct effects	B	SE	t	p
MPCB as DV				
Constant	5.292	.545	9.706	.000
Community team	.194	.216	.899	.372
Contact frequency	.136	.198	.686	.495
SLMX (path A)	-.634	.077	-8.185	.000
Model R <sup>2</sup> = .504, p = .000				
Job satisfaction as DV				
Constant	4.660	1.053	4.425	.000
Community team	-.386	.273	-1.415	.162
Contact frequency	-.057	.250	-.227	.821
SLMX (path C')	.305	.137	2.237	.029
MPCB (path B)	-.069	.151	-.456	.650
Model R <sup>2</sup> = .198, p = .004				
Job satisfaction as DV				
Constant	4.295	.681	6.308	.000
Community team	-.399	.269	-1.481	.143
Contact frequency	-.066	.248	-.267	.790
SLMX (path C)	.349	.097	3.610	.001
Model R <sup>2</sup> = .196, p = .002.				
Indirect effects	Effect	Lower level CI		Upper Level CI
Bayesian MCMC 95%CI	.0437	-.1483		.2395

N = 73. N = 73. SLMX = Social leader-member exchange, ELMX = Economic leader-member exchange, MPCB = manager psychological contract breach, DV = Dependent variable, CI = Confidence interval, <sup>a</sup>Community team: 1 = no, 2 = yes. <sup>b</sup>Contact frequency: 0 = once or twice a month or less, 1 = once or twice a week or more.



# Addendum

Dutch summary

Acknowledgements

About the author

Research portfolio







## Dutch summary

### Inleiding

Onderzoek heeft aangetoond dat psychologisch-contractbreuk negatieve effecten heeft op de houding en het gedrag van medewerkers (Zhao, Wayne, Glibkowski, & Bravo, 2007). Alhoewel er veel onderzoek gedaan is naar de gevolgen van psychologisch-contractbreuk is er veel minder bekend over de mogelijke manieren waarop deze negatieve gevolgen kunnen worden verminderd. Sommige onderzoekers stellen dat de direct leidinggevende een belangrijke rol speelt in het beperken van de negatieve effecten van psychologisch-contractbreuk (Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008; Tang, Restubog, & Cayayan, 2007). Echter, het onderzoek op dit gebied laat gemengde resultaten zien. Sommige onderzoeken laten zien dat ondersteuning van de direct leidinggevende de negatieve gevolgen van breuk beperkt (Dulac et al., 2008), terwijl uit andere studies blijkt dat de leidinggevende de negatieve gevolgen van psychologisch-contractbreuk juist versterkt (Restubog, Bordia, Tang, & Krebs, 2010). Als gevolg van deze gemengde resultaten is het niet duidelijk welke rol leidinggevendens spelen in de context van psychologisch-contractbreuk. Uit een gedetailleerde analyse van de bestaande literatuur (voor een overzicht zie Tabel 1.2 in Hoofdstuk 1) zijn er twee mogelijke redenen voor deze gemengde resultaten geïdentificeerd. De eerste reden is dat er in voorgaand onderzoek niet is gekeken naar specifieke typen ondersteunend gedrag van de leidinggevende waardoor niet duidelijk is welke vorm van ondersteuning leidinggevendens bieden in de context van breuk en in hoeverre dat type ondersteuning een rol speelt in het beperken van de negatieve consequenties van een breuk. Een tweede reden is dat bestaand onderzoek zich over het algemeen heeft gericht op globale percepties van psychologisch-contractbreuk. Gezien het mogelijk is dat sommige typen ondersteuning vooral van belang zijn voor sommige soorten breuk, terwijl een ander type ondersteuning juist weer belangrijk kan zijn voor een ander soort breuk, biedt bestaand onderzoek naar globale percepties onvoldoende inzicht in de rol van ondersteuning van de leidinggevende.

Onderzoekers stellen dat de relatie tussen psychologisch-contractbreuk en de houding en het gedrag van medewerkers niet als een simpele 'oorzaak-gevolg' relatie kan worden gezien (Conway & Briner, 2005). Zo stellen Conway en Briner (2005) dat een psychologisch-contractbreuk niet altijd tot negatieve houdingen en gedragingen leidt maar dat de uiteindelijke reactie op een breuk afhankelijk is van het proces dat

plaatsvindt direct nadat de breuk is ontstaan. Onderzoekers stellen dus dat verschillende variabelen een rol spelen in dat proces. Het eerdergenoemde mogelijke ondersteunende gedrag van de leidinggevende is daar een belangrijk voorbeeld van, maar dit ondersteunende gedrag alleen geeft nog niet adequaat het door Conway en Briner (2005) bedoelde proces weer. Het is daarom van belang om te kijken hoe medewerker-manager interacties die plaatsvinden direct na een psychologisch-contractbreuk zich ontwikkelen en hoe dit proces de uiteindelijke reactie van de medewerker op de breuk beïnvloedt.

Het psychologisch contract wordt door Rousseau (1989; 1995) gedefinieerd als “de perceptie van een werknemer van de uitwisseling van wederzijdse, op beloften gebaseerde, verplichtingen tussen een werknemer en de organisatie” (Schalk, De Jong, & Freese, 2007, p.8). In de literatuur wordt over het algemeen alleen gekeken naar het psychologisch contract tussen de medewerker en de organisatie als geheel (Shore et al., 2004). Onderzoek laat echter zien dat medewerkers verschillende partijen verantwoordelijk houden voor het (niet) nakomen van verplichtingen (Baccili, 2001). Ter illustratie: medewerkers houden de organisatie verantwoordelijk voor het nakomen van verplichtingen op het gebied van secundaire arbeidsvoorwaarden en een competitief salarisgebouw (Baccili, 2001; Chaudhry & Tekleab, 2013), terwijl ze hun direct leidinggevende verantwoordelijk houden voor rechtvaardige behandeling, waardering en autonomie (Bordia, Restubog, Bordia, & Tang, 2010; Coyle-Shapiro & Shore, 2007). Dit onderscheid in de door de medewerker voor de breuk verantwoordelijk gehouden partij kan belangrijke implicaties hebben voor de mate waarin direct leidinggevend de gevolgen van een breuk kunnen verminderen en voor de kwaliteit van de relatie tussen de medewerker en de leidinggevende (Ng, Feldman & Butts, 2014; Restubog, Bordia, & Bordia, 2011). Toch is er nog maar weinig onderzoek gedaan op dit gebied.

Gebaseerd op bovenstaande kan worden geconcludeerd dat nog veel onbekend is over de exacte rol van direct leidinggevend in de context van psychologisch-contractbreuk. Het doel van dit proefschrift is daarom te onderzoeken welke rol de direct leidinggevende speelt in de context van niet nagekomen organisatie en leidinggevende verplichtingen. Om dit doel te realiseren beoogt dit proefschrift antwoord te geven op een drietal vragen:

- 1. In welke mate vermindert het ondersteunend gedrag van de leidinggevende de negatieve effecten van een organisatie psychologisch-contractbreuk op de houding en het gedrag van*

medewerkers?

2. Hoe beïnvloeden de verschillende interacties tussen medewerker en leidinggevende direct na een organisatie psychologisch-contractbreuk het gedrag en de houding van de medewerker en welke factoren beïnvloeden dit proces?

3. In welke mate wordt de relatie tussen leidinggevende psychologisch-contractbreuk en medewerker houding en gedrag gemedieerd door de kwaliteit van de relatie tussen de medewerker en de leidinggevende?

Om deze vragen te kunnen beantwoorden is een aantal studies uitgevoerd. Deze studies zijn in dit proefschrift in vier hoofdstukken gepresenteerd. In het hiernavolgende onderdeel wordt ieder hoofdstuk en de daarbij behorende studies samengevat. Tevens wordt een antwoord op de drie hierboven genoemde vragen gegeven en worden belangrijke theoretische contributies van de verscheidene studies besproken (zie voor een volledig overzicht hoofdstuk 6). Tot slot worden de beperkingen van de verrichte studies besproken en worden de praktische en wetenschappelijke implicaties van deze studies samengevat.

## **Belangrijkste bevindingen en contributies**

### **De modererende rol van ondersteunend gedrag van de leidinggevende**

In de eerste studie van dit proefschrift – welke is gepresenteerd in hoofdstuk 2 – is onderzoek gedaan naar de modererende rol van leidinggevende informationele rechtvaardigheid (in het Engels *supervisory informational justice*) op de relatie tussen organisatie psychologisch-contractbreuk en de bevlogenheid van medewerkers en hun weerstand tegen verandering. Er is gekeken naar de gevolgen van twee typen organisatie psychologisch-contractbreuk, te weten niet nagekomen verplichtingen rondom organisatiebeleid en niet nagekomen verplichtingen omtrent de sociale sfeer in de organisatie. Gezien het onderzoek is uitgevoerd bij een Nederlandse financiële instelling die zich ten tijde van het onderzoek in de eerste fase van een verandering bevond was het des te meer belangrijk te kijken naar houdingen en gedragingen van medewerkers specifiek in de context van deze organisatieverandering. Om die reden zijn de bevlogenheid van medewerkers en hun weerstand tegen verandering als uitkomstvariabelen meegenomen in deze studie. De veronderstelling was dat beide typen organisatie psychologisch-contractbreuk een negatief effect zouden hebben op bevlogenheid en een positief effect zouden hebben op weerstand tegen verandering.

In totaal hebben 141 medewerkers van de drie afdelingen van de financiële instelling deelgenomen aan het onderzoek. De resultaten van dit cross-sectionele onderzoek laten zien dat niet nagekomen verplichtingen omtrent de sociale sfeer in de organisatie een negatieve invloed heeft op bevoegenheid en een positieve invloed heeft op affectieve weerstand tegen verandering. Niet nagekomen verplichtingen rondom organisatiebeleid heeft een positieve invloed op cognitieve weerstand tegen verandering. Daarnaast laat het onderzoek zien dat leidinggevende informationele rechtvaardigheid de negatieve gevolgen van niet nagekomen verplichtingen rondom de sociale sfeer in de organisatie op cognitieve weerstand vermindert.

In de tweede en derde studie van dit proefschrift – welke worden gepresenteerd in hoofdstuk 3 – is onderzocht welke vormen van ondersteunend gedrag door leidinggevenden worden gebruikt wanneer medewerkers een organisatie psychologisch-contractbreuk hebben ervaren en in hoeverre deze typen gedrag de negatieve gevolgen van verschillende typen breuk kunnen verzachten. Gezien er praktisch nog geen onderzoek gedaan was naar de verschillende typen ondersteunend gedrag die leidinggevenden vertonen in de context van breuk, is een kwalitatief onderzoek verricht om dit in kaart te brengen. Er zijn interviews gehouden met 17 leidinggevenden en medewerkers om verschillende typen ondersteunend gedrag te identificeren in de context van breuk. Medewerkers zijn gevraagd situaties te beschrijven waarin zij een organisatie psychologisch-contractbreuk hebben ervaren. Vervolgens is hen gevraagd voor iedere situatie die zij beschreven aan te geven wat de rol van de leidinggevende hierin was en welk soort gedrag als ondersteunend en welk soort gedrag als belemmerend was ervaren. Ook werd gevraagd of de leidinggevende ter ondersteuning van de medewerker in een bepaalde situatie iets had kunnen doen wat hij of zij niet had gedaan maar wat wellicht wel had geholpen in de betreffende situatie. Leidinggevenden werd gevraagd situaties te beschrijven waarin een medewerker een organisatie psychologisch-contractbreuk had ervaren. Vervolgens werd hen gevraagd wat hun rol hierin was en hoe zij de medewerker hadden proberen te ondersteunen, welk gedrag zij hadden gebruikt dat eventueel belemmerend had gewerkt en wat zij anders hadden kunnen doen om ondersteuning te bieden. Aan de hand van de analyses van de antwoorden van de geïnterviewde medewerkers en leidinggevenden zijn negen ondersteunende gedragingen geïdentificeerd. Aangezien deze negen gedragingen goed passen binnen het ability, motivation, en opportunity (AMO) raamwerk, zijn drie typen ondersteunend leidinggevende gedrag zijn geconceptualiseerd: handelingen en gedragingen gericht op het vergroten van de bekwaamheid van medewerkers (ability), handelingen en gedragingen van leidinggevenden gericht op het vergroten van de motivatie van

medewerkers (motivation), en handelingen en gedragingen van leidinggevend gericht op het bieden van voldoende gelegenheid aan medewerkers (opportunity). Vervolgens is in een kwantitatieve studie getoetst in hoeverre deze type gedragingen de relatie tussen organisatie psychologisch-contractbreuk en medewerker houdingen en gedrag modereerde. Tweehonderdentweëndertig medewerkers hebben deelgenomen aan het kwantitatieve onderzoek. De resultaten van dit onderzoek laten zien dat gelegenheid-vergrotende handelingen een verzachtende rol spelen in de relatie tussen breuk op het gebied van organisatiebeleid en de negatieve emotionele reacties die deze breuk teweegbrengen bij de medewerker ('schending' van het psychologisch contract). Motivatie-vergrotende handelingen hadden een verzachtende rol in de relatie tussen breuk op het gebied van beloningen en betrokkenheid van de medewerker bij de organisatie, terwijl gelegenheid-vergrotende handelingen van leidinggevend juist een versterkend effect hadden op deze relatie. Gelegenheid- en bekwaamheid-vergrotende handelingen tezamen modereerde de relatie tussen breuk op het gebied van werk inhoud en de intentie van medewerkers om de organisatie te verlaten.

De studies uit hoofdstuk 2 en 3 beantwoorden de eerste vraag over de mate waarin ondersteuning van de direct leidinggevende de negatieve gevolgen van organisatie psychologisch-contractbreuk vermindert. Over het algemeen kan gesteld worden dat direct leidinggevend in staat zijn om de negatieve gevolgen van specifieke soorten breuk van de organisatie te verminderen, maar niet van alle. De resultaten van hoofdstuk 2 lieten zien dat gedrag zoals eerlijke, duidelijke en tijdige communicatie door de leidinggevende (supervisory informational justice) het effect van breuk omtrent sociale sfeer op de cognitieve weerstand van medewerkers tegen verandering verminderde. De resultaten van hoofdstuk 3 bouwden voort op deze bevindingen en lieten zien dat naast eerlijke, duidelijke en tijdige communicatie, gedragingen van de leidinggevende gericht op het vergroten van bekwaamheid, motivatie en gelegenheid een belangrijke rol kunnen spelen in het verminderen van de negatieve gevolgen van een breuk.

Deze studies leveren een belangrijke bijdrage aan de psychologisch contract literatuur. Door in meer detail aandacht te besteden aan de specifieke typen gedragingen van leidinggevend in de context van verschillende soorten psychologisch-contract breuk, vormen deze studies een belangrijke eerste stap in het begrijpen van de eerdergenoemde gemengde resultaten in de bestaande literatuur aangaande de invloed van leidinggevend op de negatieve effecten van psychologisch-contractbreuk. Dit wordt vooral duidelijk als het gaat om het type breuk. Zo laten de

resultaten zien dat in de context van breuk op het gebied van beloningen, gelegenheid-vergrotende handelingen een versterkend effect heeft op de negatieve effecten van breuk terwijl motivatie-vergrotende handelingen juist een verzachtend effect hebben. Ook blijkt dat voor het verzachten van de negatieve consequenties van breuk op het gebied van werk inhoud een combinatie van handelingen, te weten bekwaamheid- en gelegenheid-vergrotende handelingen het beste werkt. De resultaten van deze studie geven aan dat leidinggevend een verzachtende rol kunnen spelen, echter niet alle gedragingen zullen goed werken bij alle soorten breuk. Dit is een belangrijke bijdrage aan de literatuur, gezien voorgaand onderzoek over het algemeen alleen naar globale percepties van breuk heeft gekeken. Daarnaast is er ook niet naar specifieke vormen van ondersteunend gedrag gekeken.

### **Medewerker-leidinggevende interacties na organisatie psychologisch-contractbreuk**

In het vierde hoofdstuk van dit proefschrift wordt een conceptuele studie besproken welke zich richt op de voortdurende interacties tussen medewerker en zijn of haar direct leidinggevende direct nadat de medewerker psychologisch-contractbreuk heeft ervaren en welke variabelen een rol spelen in dit proces. In deze studie is een dyadisch procesmodel ontwikkeld welke stelt dat wanneer een medewerker het gevoel heeft dat de organisatie haar verplichtingen aan de medewerker niet heeft voldaan, de medewerker zich keert tot zijn of haar direct leidinggevende. De interacties die vervolgens tussen de medewerker en direct leidinggevende plaatsvinden zijn cruciaal voor de uiteindelijke reactie van de medewerker op de breuk. Zo wordt gesteld dat onder sommige omstandigheden de situatie de-escalateert en zich herstelt tot de situatie als voor de breuk. Echter, onder andere omstandigheden wordt gesteld dat de situatie verergerd waardoor een neerwaartse spiraal ontstaat en de medewerker uiteindelijk negatief zal reageren op de breuk met minder binding, meer verzuim en hogere verloopintentie. Of de situatie leidt tot de-escalatie of escalatie is afhankelijk van de manier waarop de medewerker zich uit over de breuk ten opzichte van de leidinggevende en de manier waarop de leidinggevende vervolgens op de medewerker reageert. Over het algemeen wordt gesteld dat wanneer de medewerker het aanzien van de leidinggevende tracht te bewaren (de zogenaamde 'face-preserving strategies') een leidinggevende eerder geneigd is positief te reageren, terwijl de leidinggevende eerder geneigd is negatief te reageren wanneer een medewerker het aanzien van de leidinggevende bedreigt (de zogenaamde face-threatening strategies). Het procesmodel beschrijft verder een aantal factoren die de neerwaartse spiraal versterken en factoren die de spiraal verminderen.

Dit conceptuele hoofdstuk geeft antwoord op de vraag hoe de interacties tussen medewerker en leidinggevende na een organisatie psychologisch-contractbreuk van de organisatie het gedrag en de houding van de medewerker beïnvloeden en welke factoren hierin een rol spelen. Volgens het procesmodel dat in dit hoofdstuk is ontwikkeld hangt de uiteindelijke reactie van de medewerker op een breuk af van deze interacties, en wordt de reactie vooral beïnvloed door de manier waarop medewerkers en leidinggevendenden met elkaar communiceren (en of deze het aanzien van de leidinggevende en medewerker bedreigen of juist bewaren). Naast deze communicatieprocessen spelen factoren als leader-member exchange, psychologisch contract schending, leader-leader exchange en het psychologisch contract van de leidinggevende hierin een belangrijke rol.

Dit hoofdstuk levert een belangrijke bijdrage aan de literatuur gezien het een van de weinige studies is die zich richt op de processen die plaatsvinden nadat een medewerker een organisatie psychologisch-contractbreuk heeft ervaren. Daarnaast richt dit hoofdstuk zich op een specifieke vorm van medewerker voice – een vorm die heel goed lijkt te passen in de context van psychologisch-contractbreuk, maar die naar mijn beste weten nog niet eerder in deze context is toegepast.

### **De mediërende rol van de kwaliteit van de medewerker-leidinggevende relatie**

In de laatste drie studies van dit proefschrift – welke worden gepresenteerd in hoofdstuk 5 – is onderzocht in hoeverre niet nagekomen verplichtingen van leidinggevendenden van invloed zijn op de houding en het gedrag van medewerkers richting de leidinggevende, de organisatie en collega's. Daarnaast is onderzocht in hoeverre deze relaties worden gemedieerd door de sociale en economische uitwisselingsrelatie tussen medewerker en leidinggevende.

De eerste studie betreft een cross-sectionele studie die is uitgevoerd onder 73 medewerkers van een afdeling van een sociale zorg en maatschappelijke dienstverlener in Nederland. In deze studie is specifiek gekeken naar de relatie tussen leidinggevende psychologisch-contractbreuk enerzijds en werktevredenheid van de medewerker anderzijds. Verder is de mediërende rol van de sociale en economische uitwisselingsrelatie tussen medewerker en leidinggevende in deze relatie onderzocht. De resultaten van dit onderzoek laten zien dat de sociale uitwisselingsrelatie tussen de leidinggevende en de medewerker de relatie tussen leidinggevende psychologisch-contractbreuk en werktevredenheid van de medewerker medieert. De economische uitwisselingsrelatie tussen medewerker en leidinggevende medieert deze relatie niet.

De tweede studie betreft een cross-sectioneel onderzoek onder 384 medewerkers van verschillende organisaties, in verschillende functies met verschillende opleidingsniveaus. In dit tweede onderzoek is naast de relatie tussen leidinggevende psychologisch-contractbreuk en werktevredenheid van de medewerkers ook gekeken naar de relatie tussen leidinggevende breuk en extrarol gedrag richting de leidinggevende en op verandering gericht proactief gedrag richting de organisatie. Ook is de mediërende rol van de sociale en economische uitwisseling tussen leidinggevende en medewerker in deze relatie bekeken. De resultaten zijn hetzelfde als studie 1 wat betreft de mediërende rol van de uitwisselingsrelatie in de relatie tussen breuk en tevredenheid. De sociale, maar niet de economische uitwisselingsrelatie tussen medewerker en leidinggevende, speelt een mediërende rol. Verder laten de resultaten van deze tweede studie zien dat zowel de economische als de sociale uitwisselingsrelatie een mediërende rol speelt in de relatie tussen leidinggevende psychologisch-contractbreuk en extrarol gedrag richting de leidinggevende. Ook speelt de economische uitwisselingsrelatie een mediërende rol tussen leidinggevende psychologisch-contractbreuk en op verandering gericht proactief gedrag richting de organisatie.

In de derde en laatste studie van dit hoofdstuk is naast de relatie tussen leidinggevende psychologisch-contractbreuk en medewerkertevredenheid ook de relatie tussen leidinggevende psychologisch-contractbreuk en verloopintentie van medewerkers en hun altruïstisch gedrag richting collega's onderzocht. Net als studie 1 en 2 laten de resultaten van deze studie zien dat de sociale uitwisselingsrelatie tussen leidinggevende en medewerker de relatie tussen leidinggevende psychologisch-contractbreuk en tevredenheid medieert. Daarnaast laten de resultaten zien dat de sociale uitwisselingsrelatie ook de relatie tussen leidinggevende psychologisch-contractbreuk en verloopintentie en leidinggevende breuk en altruïstisch gedrag richting collega's medieert. De economische uitwisselingsrelatie daarentegen medieert alleen de relatie tussen leidinggevende breuk en verloopintentie.

De resultaten van de drie studies laten zien dat psychologisch-contractbreuk door de leidinggevende niet alleen negatieve gevolgen heeft voor medewerker houding en gedrag richting de leidinggevende, maar ook negatieve effecten heeft op altruïstisch gedrag richting collega's, proactief gedrag richting de organisatie, werktevredenheid en verloopintentie van medewerkers. Verder laten de resultaten zien dat zowel de sociale als de economische uitwisselingsrelatie een mediërende rol speelt in de relatie tussen leidinggevende psychologisch-contractbreuk en de houdingen en het gedrag van medewerkers. Een belangrijke bevinding is dat deze vormen van de



uitwisselingsrelatie een differentieel effect hebben, waarbij de sociale uitwisselingsrelatie een rol speelt in de relatie tussen breuk en tevredenheid, proactief gedrag richting de manager, verloopintentie en altruïstisch gedrag richting collega's. Daarentegen geldt voor de economische uitwisselingsrelatie dat deze medieert in de relatie tussen breuk en proactief gedrag richting de leidinggevende, op verandering gericht proactief gedrag richting de organisatie en verloopintentie.

De drie studies in dit hoofdstuk hebben belangrijke implicaties voor de psychologisch contract literatuur. Er is nog weinig bekend over mogelijke 'spillover' effecten van psychologisch-contractbreuk. De studies die in dit hoofdstuk zijn behandeld leveren hier een belangrijke bijdrage aan, gezien in elke studie is bestudeerd in hoeverre leidinggevende psychologisch-contractbreuk een effect heeft op houding en gedrag richting andere partijen zoals collega's en de organisatie in het algemeen. Volgens Rousseau (1998) speelt de mate waarin psychologisch contract verplichtingen worden nagekomen een belangrijke rol in de kwaliteit van de relatie tussen een medewerker en zijn of haar leidinggevende. Tot op heden is er echter weinig empirisch onderzoek gedaan naar het effect van leidinggevende psychologisch-contractbreuk op de kwaliteit van de relatie tussen de medewerker en zijn of haar leidinggevende. Gezien deze studies zich specifiek richten op deze relatie, zijn deze studies een van de eerste die empirische ondersteuning bieden voor Rousseau's (1998) claim.

## **Beperkingen**

Bij het interpreteren van de resultaten van dit proefschrift is het van belang rekening te houden met een aantal beperkingen. Alhoewel de beperkingen voor ieder onderzoek in de individuele hoofdstukken is besproken, zijn er ook bepaalde beperkingen die voor het gehele proefschrift gelden. Deze beperkingen hebben betrekking op de eigenschappen van de empirische studies, de generaliseerbaarheid van de resultaten en de onafhankelijke meting van niet nagekomen organisatie en leidinggevende verplichtingen. In de hiernavolgende paragrafen worden deze beperkingen samengevat. Voor een uitgebreidere bespreking van deze beperkingen wordt u verwezen naar hoofdstuk 6.

Wat betreft de eigenschappen van de empirische studies geldt dat de kwantitatieve studies zijn gebaseerd op zogeheten 'single-source, self-report' data. Dit betekent dat de vragenlijsten door één bron - de medewerker - zijn ingevuld. Verder geldt voor het merendeel van de kwantitatieve studies dat deze zijn gebaseerd op cross-sectioneel

onderzoek. Door deze eigenschappen kan 'common method bias' de resultaten van de studies hebben beïnvloed. Om common method bias zoveel mogelijk te minimaliseren is gebruik gemaakt van verscheidene procedurele en statische remedies zoals besproken door Podsakoff, MacKenzie, Lee, en Podsakoff (2003). Naast de kans op common method bias, kan er aan de hand van cross-sectioneel onderzoek ook geen conclusie worden getrokken wat betreft de causaliteit van de relaties. In sommige onderzoeken in dit proefschrift zijn alternatieve modellen zijn getoetst, en alhoewel er uit de resultaten bleek dat er de meeste ondersteuning was voor de veronderstelde causale relatie is het van belang dat er in vervolgonderzoek gebruik gemaakt wordt van een longitudinale opzet.

Een andere beperking van dit proefschrift heeft betrekking op de generaliseerbaarheid van de onderzoeksresultaten. De studies in dit proefschrift hebben zich beperkt tot de rol van hiërarchisch leidinggevenden. Alhoewel deze focus een belangrijke bijdrage levert aan de literatuur, is een specifieke focus op hiërarchisch leidinggevenden wellicht minder relevant voor projectorganisaties. Volgens Keegan, Huemann, en Turner (2012) zijn projectmanagers verantwoordelijk voor de dagelijkse supervisie, terwijl hiërarchisch leidinggevenden verantwoordelijke zijn voor langere termijn supervisie gerelateerd aan prestaties, beloningen en carrièreontwikkeling. Alhoewel hiërarchisch leidinggevenden in projectorganisaties waarschijnlijk ook een rol spelen in de context van niet nagekomen verplichtingen, is er wellicht ook een belangrijke rol voor projectmanagers. Zo zou het bijvoorbeeld interessant zijn om te onderzoeken in hoeverre ondersteuning van hiërarchisch leidinggevenden de negatieve gevolgen van niet nagekomen projectmanager verplichtingen kan reduceren. Ook is het interessant om het omgekeerde te onderzoeken.

Tot slot is een beperking van dit onderzoek dat het onderscheid tussen organisatie psychologisch- contractbreuk en leidinggevende psychologisch-contractbreuk grotendeels als gegeven is beschouwd. Zo is dit onderscheid alleen in de kwalitatieve studie, welke is gepresenteerd in hoofdstuk 3, onderzocht. Gezien het feit dat voorgaand onderzoek (Baccili, 2001; Bordia et al., 2010; Chambel, 2014; Chaudhry & Tekleab, 2013) ondersteuning heeft gevonden voor de differentiatie tussen leidinggevende psychologisch-contractbreuk en organisatie psychologisch-contractbreuk, en dit onderscheid ook in de kwalitatieve studie van dit proefschrift is gevonden, is besloten om niet beide typen breuk tezamen in de kwantitatieve studies mee te nemen. Hoewel er voldoende onderbouwing is om deze variabelen niet beiden in dezelfde studie mee te nemen, kan dit toch tot bepaalde beperkingen hebben geleid. Zo is het bijvoorbeeld niet mogelijk geweest om de differentiële effecten van

organisatie- en leidinggevende psychologisch-contractbreuk op de houding en het gedrag van medewerkers te toetsen.

## **Implicaties voor vervolgonderzoek**

In dit proefschrift is een aantal belangrijke kwesties onderzocht met betrekking tot de rol van de direct leidinggevende in de context van psychologisch-contractbreuk.

Alhoewel de resultaten die in dit proefschrift zijn gepresenteerd een bijdrage hebben geleverd aan psychologisch-contracttheorie, zijn er nog een aantal belangrijke vragen en kwesties die in de toekomst moeten worden onderzocht. In hoofdstuk 6 worden deze aanbevelingen uitgebreid besproken. In het hiernavolgende worden drie aanbevelingen kort samengevat.

Ten aanzien van onderzoek naar gevolgen van leidinggevende psychologisch-contractbreuk is het allereerst van belang dat er valide instrumenten worden ontwikkeld en gevalideerd voor het meten van leidinggevende psychologisch-contractbreuk. Alhoewel leidinggevende psychologisch-contractbreuk eerder is onderzocht, zijn er beperkingen aan de manier waarop dit is gemeten. Zo zijn de items om leidinggevende psychologisch-contractbreuk te meten in sommige gevallen deels identiek aan de items die worden gebruikt om organisatie psychologisch-contractbreuk te meten. Ook de vragenlijsten die in dit proefschrift zijn gebruikt zijn onvoldoende ontwikkeld waardoor vervolgonderzoek op dit gebied cruciaal is.

Dit proefschrift heeft zich gericht op psychologisch-contractbreuk van één partij in het psychologisch contract. Alhoewel er voldoende redenen zijn om onderzoek te beperken tot niet nagekomen organisatie en/of leidinggevende verplichtingen (zie bijvoorbeeld Chaudhry & Tekleab, 2013) is het ook van belang onderzoek te doen naar de gevolgen van niet nagekomen medewerker verplichtingen. Het is vooral interessant om te onderzoeken in hoeverre leidinggevendenden bereid zijn ondersteuning te bieden aan medewerkers die psychologisch-contractbreuk hebben ervaren, wanneer medewerkers zelf hun verplichtingen aan leidinggevendenden niet zijn nagekomen.

Bestaand onderzoek naar organisatie psychologisch-contractbreuk is vaak gericht op gevolgen van een globale perceptie van breuk. Echter tezamen met enkele eerder gepubliceerde studies (De Vos & Meganck, 2008; Freese, Schalk, & Croon, 2011; Lub, Bal, Blomme, & Schalk, 2016), laten de resultaten van dit proefschrift zien dat het van

belang is om onderzoek te doen naar differentiële effecten van verschillende typen organisatie psychologisch-contractbreuk op de houding en het gedrag van medewerkers. Zo hebben sommige typen breuk wel een effect op bepaalde uitkomsten, terwijl andere typen breuk juist van belang zijn voor andere uitkomsten. Gezien er nog maar weinig onderzoek is gedaan op dit gebied, en de onderzoeken die zijn gedaan zich beperken tot een beperkt aantal uitkomstvariabelen is meer onderzoek nodig.

## **Praktische aanbevelingen**

Een belangrijke beperking van bestaand onderzoek is dat er weinig concrete aanbevelingen worden gedaan wat betreft het soort gedrag dat leidinggevendens toepassen in de context van niet nagekomen organisatie verplichtingen. Daarnaast is er nog weinig onderzoek gedaan naar de mogelijke 'spillover' effecten van leidinggevende psychologisch-contractbreuk op de houding en het gedrag van medewerkers richting andere partijen. Gezien een belangrijk doel van dit proefschrift is om meer inzicht te verkrijgen in deze kwesties, kunnen aan de hand van de resultaten van dit proefschrift enerzijds aanbevelingen worden gedaan omtrent ondersteunende acties die leidinggevendens kunnen inzetten in de context van organisatie psychologisch-contractbreuk. Anderzijds kan op basis van de resultaten van dit proefschrift worden aangegeven waar leidinggevendens rekening mee moeten houden wanneer een medewerker het gevoel heeft dat de leidinggevende zijn of haar verplichtingen jegens de medewerker niet is nagekomen. Het is van belang om hierbij te vermelden dat gezien meer onderzoek op deze gebieden nodig is de aanbevelingen die worden gedaan in het juiste perspectief dienen te worden geplaatst. In het hiernavolgende worden de aanbevelingen omtrent de hierboven besproken kwesties kort gedomd. Voor een uitgebreidere toelichting op deze aanbevelingen wordt verwezen naar hoofdstuk 6.

Gebaseerd op de resultaten van de studies in dit proefschrift wordt geconcludeerd dat leidinggevendens drie typen ondersteunend gedrag kunnen gebruiken in de context van organisatie psychologisch-contractbreuk. Deze ondersteunende handelingen zijn gericht op het vergroten van bekwaamheid, motivatie en gelegenheid. Het is van belang dat organisaties leidinggevendens trainen in het toepassen van deze handelingen. Daarnaast is het van belang dat leidinggevendens zich bewust zijn van het feit dat bepaalde handelingen effectief kunnen zijn in de ene context, terwijl weer andere handelingen van belang kunnen zijn in een andere context. Ook kan het zo zijn

dat een combinatie van bekwaamheid, motivatie en gelegenheid vergrotende handelingen nodig is bij bepaalde soorten psychologisch-contractbreuk. Verder is het mogelijk dat in de ene context sommige handelingen van leidinggevendenden een positief effect hebben op het gedrag en de houding van medewerkers, terwijl dezelfde handelingen daar juist een averechts effect op kunnen hebben in weer een andere context.

Naast de rol die leidinggevendenden kunnen spelen in het verkleinen van de negatieve effecten van organisatie psychologisch-contractbreuk, kunnen leidinggevendenden ook zelf worden gezien als de reden voor een breuk. Het is van belang dat leidinggevendenden zich bewust zijn dat wanneer een medewerker het gevoel heeft dat de leidinggevende bepaalde verplichtingen aan hem of haar niet is nagekomen, de gevolgen hiervan niet alleen de houding en het gedrag richting de leidinggevende beïnvloeden, maar ook van invloed zijn op het gedrag richting de organisatie en collega's. Het is daarom van belang dat leidinggevendenden zo veel mogelijk proberen de kans op leidinggevende psychologisch-contractbreuk te verminderen. Conway en Briner (2005) hebben belangrijke aanbevelingen geformuleerd voor het minimaliseren van organisatie psychologisch-contractbreuk welke ook toepasbaar lijken te zijn in de context van niet nagekomen leidinggevende verplichtingen. Zo stellen Conway en Briner (2005) onder andere dat het van belang is om de emoties van medewerkers niet uit het oog te verliezen. Zo kan frustratie bijvoorbeeld een teken zijn van teleurstelling over een niet nagekomen verplichting (Conway & Briner, 2005).

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## About the author

Melanie De Ruiter was born on November 29, 1985 in Hellevoetsluis, The Netherlands. After graduating from C.S.G. Penta College Jacob van Liesveldt in 2005, Melanie attended Roosevelt Academy (now known as University College Roosevelt), where she received her Bachelor of Arts (Major: Social Science) Cum Laude. She completed her Master of Science in Management at Nyenrode Business Universiteit. In the summer of 2012, Melanie started working on her PhD project as an external PhD candidate at the Tilburg School of Social and Behavioral Sciences under the supervision of Prof. Dr. René Schalk (Tilburg University) and Prof. Dr. Robert J. Blomme (Nyenrode Business Universiteit). From January 2013 onwards, Melanie has worked at Nyenrode Business Universiteit where she teaches courses including organizational behavior and research methodology in a variety of programs such as the BSc, MSc and modular and executive MBA programs. Additionally, Melanie supervises MSc and MBA students with their theses and final projects.

Melanie has presented her research at various national and international conferences, including the Academy of Management Conference. Her research has been published in international peer-reviewed journals, including *The Journal of Applied Behavioral Science* and *The International Journal of Human Resource Management*. Melanie is a reviewer for *European Management Review*, *Journal of Managerial Psychology*, and *The International Journal of Human Resource Management*. She also reviews for international conferences. In 2015, Melanie was awarded an outstanding reviewer award from the Organization Development and Change division of the Academy of Management.

## Research portfolio

### Honors and awards

1. Outstanding Reviewer Award from the Organization Development and Change Division of the Academy of Management, 2015

### Publications

#### International peer-reviewed journal articles

1. **De Ruiter, M.**, Schalk, R., Schaveling, J., & Gelder, D. van (2016). Psychological contract breach in the anticipatory stage of change: Employee responses and the moderating role of supervisory informational justice. *Journal of Applied Behavioral Science*, Advance online publication. DOI: 10.1177/0021886316672724
2. **De Ruiter, M.**, Lub, X., Jansma, E., & Blomme, R. J. (2016). Psychological contract fulfilment and expatriate intrinsic career success: The mediating role of identification with the multinational corporation. *International Journal of Human Resource Management*. Advance online publication. DOI: 10.1080/09585192.2016.1244099
3. **De Ruiter, M.**, Schalk, R., & Blomme, R. J. (2016). Manager responses to employee dissent about psychological contract breach: A dyadic process approach. *Management Communication Quarterly*, 30(2), 188-217.

#### Book chapters

1. Lub, X., **De Ruiter, M.**, & Blomme, R. J. (Accepted). 'When you grew up ...' or 'how old are you?' A review of theory and evidence on generational and age differences in psychological contracts. In E. Parry and J. McCarthy (Eds.) *Handbook on Age Diversity and Work*. Palgrave-MacMillan.
2. **De Ruiter, M.**, Blomme, R. J., & Schalk, R. (2016). Reducing the negative effects of psychological contract breach during management-imposed change: A trickle-down model of management practices. In A. Goksoy (Ed.) *Organizational change management strategies in modern business* (pp. 122-142). Hershey, PA: IGI Global.

#### Conference presentations, proceedings and symposia

1. De Ruiter, M., Schalk, R., & Blomme, R. J. (2016). Manager ability, motivation, and opportunity-enhancing practices: Implications for employee responses to psychological contract breach. *Paper presented at EAWOP Small Group Meeting*,

*'Unravelling the role of time in psychological contract processes', November 2016, London, UK.*

2. **De Ruiter, M.**, Schalk, R., Schaveling, J., & Blomme, R. J. (2016, August). Manager psychological contract breach and employee outcomes: The role of economic and social LMX. *Paper presented at the Academy of Management Conference, Anaheim, California.*
3. **De Ruiter, M.**, Schalk, R., Schaveling, J., & Blomme, R. J. (2016, February). *Breach of Manager Promises and Obligations*. In symposium (Chairs: Roche & Schalk) "How can HRM influence worker outcomes? The role of context, leadership and coaching". *Paper presented at the second AOM HR Division International Conference, Sydney, Australia.*
4. Lub, X., **De Ruiter, M.**, & Blomme, R. J. (2016, February). *When you grew up or how old you are? A review of theory and evidence on generational and age differences in psychological contracts*. In symposium (Chair: Parry) "Generational diversity at work: New research perspectives". *Paper presented at the second AOM HR Division International Conference, Sydney, Australia.*
5. **De Ruiter, M.**, Lub, X., Jansma, E., & Blomme, R. J. (2015, November). Expatriate psychological contracts. *Paper presented at the Dutch HRM Conference, Utrecht, The Netherlands.*
6. **De Ruiter, M.**, Schalk, R., & Blomme, R. J. (2015, September). Employee-manager exchanges following a perceived breach of organizational obligations: A dyadic process approach. *Paper presented at the EAWOP Small Group Meeting, Studying work as it is: Capturing dynamics in workplace relationships, Brussels, Belgium.*
7. **De Ruiter, M.**, Schalk, R., Schaveling, J., & Gelder, D. van (2015, August). The impact of psychological contract breach on employee reactions in the first phase of change. *Paper presented at the Academy of Management Conference, Vancouver, Canada.*
8. **De Ruiter, M.**, Schalk, R., & Blomme, R. J. (2015, August). Psychological Contract Breach in the Context of Change: The Role of Middle and Senior Managers. *Paper presented at the Academy of Management Conference, Vancouver, Canada.*
9. **De Ruiter, M.**, Schalk, R., & Blomme, R. (2014, May). Beyond Simple Cause and Effect: Conceptualizing responses to psychological contract breach as dynamic, iterative exchanges between employee and supervisor. *Paper presented at Workshop Advances in OB and HRM, Paris, France.*
10. **De Ruiter, M.**, Schalk, R., & Blomme, R. J. (2013, November). Leader behaviors and practices in the context of psychological contract breach. *Paper presented at the 8<sup>th</sup> International Conference of the Dutch HRM Network, Leuven.*
11. **De Ruiter, M.**, Blomme, R., Schalk, R., & Schoot, R. van de (2013, September). Intervening Stages between Psychological Contract Breach and Employee Outcomes: An Exploration of Employee Dissent, *Developmental paper presented at*

*the British Academy of Management, Liverpool, England.*

12. **De Ruiter, M.**, & Schaveling, J. (2013, September). Graduate Business Education as a Platform for Developing Systemic Thinking Skills: An exploratory study, *Developmental paper present at the British Academy of Management, Liverpool, England.*

## **Consortia**

1. Dutch HRM Network Doctoral Student Consortium Participant, 9<sup>th</sup> international conference of the Dutch HRM Network (November, 2015)
2. HR Division Doctoral Student Consortium Participant, sponsored by the HR Division of the Academy of Management, Academy of Management Annual Meeting (August, 2015)

## **Professional service**

### **Ad-hoc Reviewing**

European Management Review  
International Journal of Human Resource Management  
Journal of Managerial Psychology

Reviewer profile on Publons: <https://publons.com/a/1171602/>